

## **INCOME-TAX ACT**

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### **RULES/AMENDMENT RULES**

#### **Income-tax : Income-tax (Second Amendment) Rules, 2011 - Substitution of rule 28AA and Form No. 13 in Appendix II and amendment in rule 31A**

#### **NOTIFICATION NO. 16/2011 [F.NO. 133/11/2011-SO(TDL)/S.O. NO. 647(E), DATED 29-3-2011**

S.O. 647 (E).- In exercise of the powers conferred by section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. (1) These rules may be called the Income-tax (Second Amendment) Rules, 2011.  
(2) They shall come into force on the 1st day of April, 2011.

2. In the Income-tax rules, 1962, –

(a) for rule 28AA, the following rule shall be substituted, namely:-

#### **“Certificate for deduction at lower rates or no deduction of tax from income other than dividends.**

**28AA.** (1) Where the Assessing Officer, on an application made by a person under sub-rule (1) of rule 28 is satisfied that existing and estimated tax liability of a person justifies the deduction of tax at lower rate or no deduction of tax, as the case may be, the Assessing Officer shall issue a certificate in accordance with the provisions of sub-section (1) of section 197 for deduction of tax at such lower rate or no deduction of tax.

(2) The existing and estimated liability referred to in sub-rule (1) shall be determined by the Assessing Officer after taking into consideration the following:-

- (i) tax payable on estimated income of the previous year relevant to the assessment year;
- (ii) tax payable on the assessed or returned income, as the case may be, of the last three previous years;
- (iii) existing liability under the Income-tax Act, 1961 and Wealth-tax Act, 1957;
- (iv) advance tax payment for the assessment year relevant to the previous year till the date of making application under sub-rule (1) of rule 28;
- (v) (v) tax deducted at source for the assessment year relevant to the previous year till the date of making application under sub-rule (1) of rule 28; and

(vi) (vi) tax collected at source for the assessment year relevant to the previous year till the date of making application under sub-rule (1) of rule 28.

(3) The certificate shall be valid for such period of the previous year as may be specified in the certificate, unless it is cancelled by the Assessing Officer at any time before the expiry of the specified period.

(4) The certificate shall be valid only with regard to the person responsible for deducting the tax and named therein.

(5) The certificate shall be issued direct to the person responsible for deducting the tax under advice to the person who made an application for issue of such certificate.”

(b) in rule 31A, in sub-rule (4), after clause (iv),the following clauses shall be inserted, namely:-

“(v) furnish particulars of amount paid or credited on which tax was not deducted in view of the issue of certificate of no deduction of tax under section 197 by the Assessing Officer of the payee;

(vi) furnish particulars of amount paid or credited on which tax was not deducted in view of the compliance of provisions of sub-section (6) of section 194C by the payee.”

(c) in Appendix-II , for Form No.13, the following Form shall be substituted, namely:-

**“FORM NO. 13**

[See rules 28 and 37G]

**Application by a person for a certificate under sections 197  
and/or 206C(9) of the Income-tax Act, 1961, for no  
\*deduction/collection of tax or \*deduction/  
collection of tax at a lower rate**

To

The Assessing Officer,

1. \*I, \_\_\_\_\_ of \_\_\_\_\_ do, hereby, request that a certificate may be issued to the person responsible for paying to me the incomes/sum by way of salary/interest on securities/interest other than “interest on securities”/insurance commission/commission (not being insurance commission) or brokerage/commission, etc., on the sale of lottery tickets/fees for professional or technical services/any sum by way of payment to contractors and sub-contractors/dividends/rent/income in respect of units/sum by way of payment of compensation on acquisition of immovable property (strike out whichever is not applicable) authorising him not to deduct income-tax/to deduct income-tax at the rate of \_\_\_\_\_ per cent at the time of payment to me of such income/sum. The particulars of my income and other details are as per para 2.

and/or

\*I, \_\_\_\_\_ of \_\_\_\_\_ do, hereby, request that a certificate may be issued to the seller, being the person responsible for collecting the

tax from me in respect of the amount payable by me as the buyer of \_\_\_\_\_ [specify the nature of goods referred to in the Table in sub-section (1) of section 206C]/lessee or licensee of \_\_\_\_\_ [specify the nature of contract or licence or lease referred to in the Table in sub-section (1C) of section 206C] (Strike out whichever is not applicable) authorizing him to collect income-tax at the rate of \_\_\_\_\_ per cent at the time of debit of such amount to my account or receipt thereof from me, as the case may be. The particulars of my income and other details are as per para 2.

2. The particulars of my income and other details are as under :

(i) Status

(State whether individual, Hindu undivided family, firm, body of individuals, Company, etc.)

(ii) Residential status

(Whether resident / resident but not ordinarily resident / non-resident)

(iii) (iii) Permanent Account No. (PAN)

(iv) Tax Deduction and Collection Account No. (TAN)

(v) Details of returns/statements which have become due but have not been filed :

<i>Section under which return/statement has become due</i>	<i>Assessment year/ quarter</i>	<i>Due date for filing</i>	<i>Reason for not filing</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
Section 139			
Section 200			
Section 206C			

(vi) Details of returned income/ assessed income for the last three assessment years:  
(enclose copies of returns of income filed along with their enclosures and copies of assessment orders, if assessed, for the last three assessment years.)

<i>Assessment year</i>	<i>Total income as per return of income</i>	<i>Total income as per latest assessment</i>	<i>Total tax including interest payable on returned income</i>	<i>Total tax including interest payable on assessed income</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>

(vii) Details of tax payment for the last three assessment years:

<i>Assessment year</i>	<i>Total payment</i>	<i>Tax paid by</i>	<i>Credit claimed for</i>	<i>Credit claimed for</i>	<i>Tax paid by way of self</i>	<i>Tax paid in response to</i>

	<i>of tax including interest</i>	<i>way of Advance tax</i>	<i>tax deduction at source.</i>	<i>tax collection at source.</i>	<i>assessment tax</i>	<i>notice of demand under section 156</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)

- (viii) Details of sales, profit, etc. for the last three previous years in the case of assessee whose income include income under the head "Profits and gains of business or profession": (enclose copies of profit and loss account and balance sheet along with audit report, if audited, for the last three previous years)

<i>Previous year</i>	<i>Gross sales, turnover receipt of business or profession</i>	<i>Gross profit</i>		<i>Net profit</i>	
		<i>In rupees</i>	<i>In percentage to amount stated in column (1)</i>	<i>In rupees</i>	<i>In percentage to amount stated in column (1)</i>
(1)	(2)	(3)	(4)	(5)	(6)

- (ix) Details of existing liability under Income-tax Act, 1961 and Wealth-tax Act, 1957:

<i>Assessment Year/ period</i>	<i>Liability under the Income-tax Act, 1961</i>				<i>Amount payable under the Wealth-tax Act, 1957</i>
	<i>Amount payable in respect of advance-tax</i>	<i>Amount payable for self-assessment tax</i>	<i>Amount for which notice of demand under section 156 has been served but not paid.</i>	<i>Amount payable as deductor or collector which had become due but not paid.</i>	
(1)	(2)	(3)	(4)	(5)	(6)

- (x) Assessment year to which the payments relate
- (xi) Estimated total income of the previous year relevant to the assessment year referred to in (x) above  
(give detailed computation and basis thereof)

- (xii) Total tax including interest payable on the income at (xi)
- (xiii) How the liability mentioned in col. (ix) and col. (xii) is proposed to be discharged?
- (xiv) Details of payment of advance-tax and tax already deducted/collected for the assessment year relevant to the current previous year till date.

<i>Nature of prepaid tax</i>	<i>Date of payment/deduction/collection</i>
Advance tax	
TDS	
TCS	

- (xv) Details of income claimed to be exempt and not included in the total income in col. (xi) (Please append a note giving reason for claiming such exemption).
- (xvi) Please furnish the particulars in Annexure-I in respect of no deduction of tax or deduction of tax at a lower rate under section 197 and/or in Annexure-II for collection of tax at lower rate under section 206C(9) of the Income-tax Act, as the case may be.

\*I, \_\_\_\_\_ the trustee/co-trustee of \_\_\_\_\_ do hereby declare that the securities/sums/shares, particulars of which are given in the Annexure, are properly held under trust wholly for charitable or religious purposes and that the income therefrom qualifies for exemption under sections 11 and 13 of the Income-tax Act, 1961.

\*I declare that the securities/sums/shares, particulars of which are given in the Schedules above, stand in my name and are beneficially owned by me, and the income therefrom is not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961.

I further declare that what is stated in this application is correct.

Date \_\_\_\_\_

\_\_\_\_\_  
*Signature*

Place \_\_\_\_\_

\_\_\_\_\_  
*Address*

\*Strike out whichever is not applicable.

**ANNEXURE I**

*[For the purpose of tax deduction at source]*

Please furnish the particulars with the Schedules below in respect of the payments for which the certificate is sought.

**SCHEDULE I**

<i>Description of securities</i>	<i>Number of securities</i>	<i>Date of securities</i>	<i>Amount of securities</i>	<i>Estimated amount of interest to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>

**SCHEDULE II**

<i>Sl. No.</i>	<i>Name and address of the person to whom the sums are given on Interest</i>	<i>Amount of such sums</i>	<i>The date on which such sums were given on interest</i>	<i>Period for which such sums were given on Interest</i>	<i>Rate of interest</i>	<i>Estimated amount of interest to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>

**SCHEDULE III**

<i>Sl. No</i>	<i>Name and address of person responsible for paying insurance commission</i>	<i>Estimated amount of insurance commission</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

**SCHEDULE IV**

<i>Sl. No.</i>	<i>Name and address of the company</i>	<i>No. of shares</i>	<i>Class of shares and face value of each share</i>	<i>Total face value of shares</i>	<i>Distinctive numbers of shares</i>	<i>Estimated amount of dividend to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>

**SCHEDULE V**

<i>Sl. No.</i>	<i>Name and address of the employer</i>	<i>Period of employment</i>	<i>Amount of salary received</i>	<i>Income from house property</i>	<i>Income from sources other than salary and income from house property</i>	<i>Estimated total income</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>

**SCHEDULE VI**

<i>Sl. No.</i>	<i>Name and address of person responsible for paying rent</i>	<i>Estimated amount of rent to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

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**SCHEDULE VII**

<i>Sl. No.</i>	<i>Name and address of the mutual fund</i>	<i>No. of units</i>	<i>Classes of units and face value of each unit</i>	<i>Total face value of units</i>	<i>Distinctive numbers of units</i>	<i>Estimated amount of income to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>

**SCHEDULE VIII**

<i>Sl. No.</i>	<i>Name and address of person responsible for paying commission (not being insurance commission referred to in section 194D) or brokerage.</i>	<i>Estimated amount of commission (not being insurance commission referred to in section 194D) or brokerage to be received</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

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**SCHEDULE IX**

<i>Sl. No.</i>	<i>Full name and address of the authority/person with whom the contract was made</i>	<i>Date of the contract</i>	<i>Nature of the contract</i>	<i>Date by which work on the contract would be completed</i>	<i>Sums expected to be credited / paid in pursuance of the contract during the current previous year and each of the three immediately succeeding years</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

**SCHEDULE X**

<i>Sl. No.</i>	<i>Name and address of person(s) responsible for paying commission, remuneration or prize (by whatever name called) on the sale of lottery tickets</i>	<i>Estimated amount of commission/remuneration/prize to be received (strike out whichever is not applicable)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

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**SCHEDULE XI**

<i>Sl. No.</i>	<i>Name and address of person(s) responsible for paying fees for professional/technical services</i>	<i>Estimated amount of fees for professional/technical services to be received (strike out whichever is not applicable)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

**SCHEDULE XII**

<i>Sl. No.</i>	<i>Name and address of person responsible for paying compensation or enhanced compensation or the consideration or enhanced consideration on account of compulsory acquisition of immovable property</i>	<i>Estimated amount of compensation or the enhanced compensation or consideration or the enhanced consideration</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>

Date \_\_\_\_\_

\_\_\_\_\_  
(Signature)

Place \_\_\_\_\_

\_\_\_\_\_

(Address)

**ANNEXURE II**

*[For the purpose of tax collection at source]*

Please furnish particulars of the amounts payable in respect of which the certificate is sought in the schedules below:-

**SCHEDULE I**

<i>Sl. No.</i>	<i>Full name and address of the seller</i>	<i>Date of sale with reference number of such sale</i>	<i>Nature and description of the goods sold and details of sale</i>	<i>Amounts expected to be debited/ paid in pursuance of the sale during the current financial year and each of the three immediately succeeding years.</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>

**SCHEDULE II**

<i>Sl. No.</i>	<i>Full name and address of the</i>	<i>Date of grant of lease</i>	<i>Nature of contract or</i>	<i>Amounts expected to be</i>
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	<i>person granting lease or licence</i>	<i>or licence or contract or transfer of right with reference number</i>	<i>licence or lease and description and details of the contract</i>	<i>debited/ paid in pursuance of the contract during the current financial year and each of the three immediately succeeding years.</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>

Date \_\_\_\_\_

\_\_\_\_\_  
*Signature of the buyer*  
 Full Name \_\_\_\_\_  
 Designation \_\_\_\_\_”