

Government of India
Ministry of Finance
Central Board of Direct Taxes
Directorate of Income Tax (Systems)

Notification No. 01 of 2022

New Delhi, 09th June, 2022

Compliance Check Functionality for Section 206AB & 206CCA of Income-tax Act 1961

Section 206AB and 206CCA of the Income-tax Act, 1961 (effective from 1st July 2021 and amended via Finance Act, 2022), imposed higher TDS/TCS rate on the "Specified Persons" defined as under,

" For the purposes of this section "specified person" means a person who has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year:

Provided that the specified person shall not include a non-resident who does not have a permanent establishment in India.

Explanation—For the purposes of this sub-section, the expression "permanent establishment" includes a fixed place of business through which the business of the enterprise is wholly or partly carried on."

2. To facilitate Tax Deductors and Collectors in identification of Specified Persons as defined in sections 206AB and 206CCA, the Central Board of Direct Taxes ("CBDT"), in exercise of powers conferred under section 138(1)(a)(i) of Income-tax Act, 1961 (Act), has issued Order via F.No. 225/67/2021/ITA.II dated 21.06.2021, directing that Director General of Income-tax (Systems), New Delhi shall be the specified income-tax authority for furnishing information to the "Tax Deductor/Tax Collector", having registered in the reporting portal of the Project Insight through valid TAN, to identify the 'Specified Persons' for the purposes of section 206AB and 206CCA of the Act through the functionality "Compliance Check for Section 206AB& 206CCA".

3. Income Tax Department has released a functionality "Compliance Check for Section 206AB & 206CCA" to facilitate tax deductors/collectors to verify if a person is a "Specified Person" as per section 206AB & 206CCA. This functionality is made available through (<https://report.insight.gov.in>) of Income-tax Department. Kindly refer to CBDT Circular No. 11

of 2021 dated 21.06.2021 and CBDT Circular No. 10 of 2022 dated 17.05.2022 regarding use of functionality under section 206AB and 206CCA of the Income-tax Act, 1961.

4. The following procedure is laid down for sharing of information with tax deductors/collectors:

a) Registration: Tax Deductors and Collectors can register on the Reporting Portal by logging in to e-filing portal (<http://www.incometax.gov.in/>) using e-filing login credential of TAN and clicking on the link "Reporting Portal" which is available under "Pending Actions" Tab of the e-filing Portal. After being redirected to the Reporting Portal, the tax deductor/collector needs to select Compliance Check (Tax Deductor & Collector) under Form Type. The details of the principal officer also need to be provided by clicking on "Add Principal Officer" button. The principal officer is the authorized person of the tax deductor/collector to use the Compliance Check functionality on reporting portal. After submission of registration request, email notification will be shared with the Principal Officer along with ITDREIN details and login credentials.

b) Accessing the Compliance Check functionality: Principal Officers of the entities (Tax Deductors & Collectors) which are registered with the Reporting Portal through TAN shall be able to use the functionality after login into the Reporting Portal using their credentials. After successfully logging in, link to the functionality "Compliance Check for Section 206AB & 206CCA" will appear on the home page of the Reporting Portal.

c) Using "PAN Search" mode: Under the "Compliance Check for Section 206AB & 206CCA" page, "PAN Search" tab may be selected to access the functionality in PAN Search mode. In this mode single valid PAN along with captcha can be entered at a time and output will be available with following fields,

- **Financial Year:** Current Financial Year
- **PAN:** As provided in the input.
- **Name:** Masked name of the Person (as per PAN).
- **PAN Allotment date:** Date of allotment of PAN.
- **PAN-Aadhaar Link Status:** Status of PAN-Aadhaar linking for individual PAN holders as on date. The response options are Linked (PAN and Aadhaar are linked), Not Linked (PAN & Aadhaar are not linked), Exempt (PAN is exempted from PAN-Aadhaar linking requirements as per Department of Revenue Notification No. 37/2017 dated 11th May 2017) or Not-Applicable (PAN belongs to non-individual person).
- **Specified Person u/s 206AB & 206CCA:** The response options are Yes (PAN is a specified person as per section 206AB/206CCA as on date) or No (PAN is not a specified person as per section 206AB/206CCA as on date).

Output will also provide the date on which the "Specified Person" status as per section 206AB and 206CCA is determined.

d) Using "Bulk Search" mode: Under the "Compliance Check for Section 206AB & 206CCA" functionality page, "Bulk Search" tab may be selected to access the functionality in Bulk Search mode. This mode involves following steps:

- i **Preparing request (input) file containing PANs:** Under the "Bulk Search" page, CSV Template to enter PANs details may be downloaded by clicking on "Download CSV template" button. PANs for which "Specified Person" status is required may be entered in the downloaded CSV template. The current limit in the number of PANs in a single file is 10,000.
- ii **Uploading the input CSV file:** Input CSV file may be uploaded by clicking on Upload CSV button. Uploaded file will start reflecting with **Uploaded** status.
- iii **Downloading the output CSV file:** After processing, CSV file containing "Specified Person" status as per section 206AB & 206CCA of the entered PANs will be available for download and "Status" will change to **Available**. Output CSV file will contain PAN, Masked Name, Specified Person Status as per section 206AB & 206CCA, PAN-Aadhar Link status and other details as mentioned in paragraph c) above. After downloading of the file, the status will change to **Downloaded**. The download link will expire and status will change to **Expired** after specified time (presently 24 hours of availability of the file).

5. For any further assistance, Tax Deductors & Collectors can refer to Quick Reference Guide on Compliance Check for Section 206AB & 206CCA and Frequently Asked Questions (FAQ) available under "Resources" section of Reporting Portal. They can also navigate to the "Help" section of Reporting Portal for submitting query or to get a call back from Customer Care Team of Income-tax Department. Customer Care Team of Income-tax Department can also be reached by calling on its Toll Free number 1800 103 4215 for any assistance.

6. Notification No. 01 of 2021 dated 22nd June 2021 is modified to the extent of what is contained in this notification

7. This issues with the approval of CBDT.


(Manish Mishra)

ADG(Systems)-2 CBDT

Copy to:

1. PPS to the Chairman and Members, CBDT, North Block, New Delhi.
2. DGIT (Systems)
3. TPL and ITA Divisions of CBDT.
4. Web Manager, "incometaxindia.gov.in" for hosting on the website.
5. Database cell for uploading on www.irsofficersonline.gov.in and in DGIT(S) Corner.
6. ITBA publisher for uploading on ITBA portal.

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