

Key features of File Validation Utility (FVU) version 3.2

- FVU 3.2 will be applicable for quarterly TDS/TCS statements pertaining to FY 2010-11 onwards and will be mandatory w.e.f April 01, 2011.
- Mandatory to quote Mobile No. in quarterly TDS/TCS statements for deductor category other than Central govt. and State Govt.
- Provision to quote the deduction under section 80CCF in salary details (applicable for 24Q Q4).
- Total deduction under chapter VI A to include:
 - Deduction under section 80CCE
 - Deduction under section 80CCF
 - Deduction under other sections of chapter VI A
- 'Surcharge' amount in salary details (provided annually in Annexure II -- 24Q Q4) should be less than or equal to 'Total Taxable Income'.
- 'Education cess' amount in salary details (provided annually in Annexure II -- 24Q Q4) should be less than or equal to 'Total Taxable Income'.
- 'Net Income tax payable' amount in salary details (provided annually in Annexure II -- 24Q Q4) should be less than or equal to 'Total Taxable Income'.
- **Guidelines for reporting TDS transactions not exceeding / exceeding threshold limit in quarterly TDS statements (as issued by Directorate of Income Tax - Systems).**

Below guidelines may be referred, if deductor wishes to report the transaction in the quarterly TDS statement where no tax is deducted as threshold limit (as per the provisions of the Income tax Act) of amount paid/credited to deductee has not exceeded in the initial quarter (s) but has exceeded in subsequent quarter.

- 1) Flag "Y" may be selected in the field of 'Reason for non deduction/ lower deduction/ higher deduction' to highlight transactions where TDS is not deducted as the threshold for deducting tax has not exceeded.
- 2) Threshold flag can be quoted only against the following section codes in corresponding challan details:
193, 194, 194A, 194B, 194BB, 194C, 194D, 194EE, 194G, 194H, 194I, 194J, 194LA
- 3) Following approach may be referred for reporting threshold transactions in quarterly statements:
 - a. In case there is no deduction of tax in the first two quarters of a F.Y. where the prescribed rate of deduction as per Income Tax Rules is 10%. In the third quarter the threshold limit exceeds.

Approach 1:

The deductor may report those transactions **in the respective quarterly TDS statements** with zero rate of deduction ('0.0000'), zero tax deducted/ deposited ('0.00') and amount paid in the respective quarters with threshold flag. The deductor will mention the prescribed rate of deduction, the amount paid in the third quarter, tax deducted/ deposited (deductee) on the total amount paid till that quarter. The same is represented as follows:

Pertaining to quarter	Reporting Quarter	PAN	Rate of deduction	Date of payment *	Amount paid (Rs.)	Date of deduction	Amount deducted (Rs.)	Amount deposited (Rs.)	Reason for non deduction /lower deduction
Q1	Q1	PAN 1	0	Q1	1,00,000	-	0	0	Threshold flag Y present
Q2	Q2	PAN 1	0	Q2	1,00,000	-	0	0	Threshold flag Y present
Q3	Q3	PAN 1	30	Q3	1,00,000	Q3	30,000.00	30,000.00	No flag present

*The deductor must report the actual date of payment irrespective of the manner of reporting

Approach 2:

The deductor may report **all transactions in the quarter in which the threshold has exceeded**, represented as follows:

Pertaining to quarter	Reporting Quarter	PAN	Rate of deduction	Date of payment *	Amount paid (Rs.)	Date of deduction	Amount deducted (Rs.)	Amount deposited (Rs.)	Reason for non deduction /lower deduction
Q1	Q3	PAN1	0.0000	Q1	1,00,000	-	0	0	Threshold flag Y present
Q2	Q3	PAN1	0.0000	Q2	1,00,000	-	0	0	Threshold flag Y present
Q3	Q3	PAN1	30.0000	Q3	1,00,000	Q3	30,000.00	30,000.00	No flag present

*The deductor must report the actual date of payment irrespective of the manner of reporting

Approach 3:

The deductor may report **all transactions in the quarter in which the threshold has exceeded**, represented as follows:

Pertaining to quarter	Reporting Quarter	PAN	Rate of deduction	Date of payment*	Amount paid (Rs.)	Date of deduction	Amount deducted (Rs.)	Amount deposited (Rs.)	Reason for non deduction /lower deduction
Q1	Q3	PAN1	10.0000	Q1	1,00,000	Q3	10,000.00	10,000.00	Threshold flag Y present
Q2	Q3	PAN1	10.0000	Q2	1,00,000	Q3	10,000.00	10,000.00	Threshold flag Y present
Q3	Q3	PAN1	10.0000	Q3	1,00,000	Q3	10,000.00	10,000.00	No flag present

*The deductor must report the actual date of payment irrespective of the manner of reporting

- For validating e-TDS/TCS statement (regular and correction) for FY 2010-11 and onwards refer the table below:

FVU version of e-TDS/TCS Regular statement submitted	FVU version applicable for e-TDS/TCS Correction statement
FVU version 2.128	FVU version 3.2
FVU version 3.0	FVU version 3.2
FVU version 3.1	FVU version 3.2
FVU version 3.2	FVU version 3.2