

How to check your TDS/TCS tax credit in form 26AS and reason for mismatch

If you are a taxpayer, you need to check your Form 26AS to ensure the tax deducted at source (TDS) is reflected correctly in the income tax records. Form 26AS is a consolidated tax statement issued under Rule 31AB of the Income Tax Rules to PAN holders.

This statement will include details of:

Tax deducted at source (TDS), Tax collected at source (TCS), Advance tax, self-assessment tax, regular assessment tax etc deposited in a bank by taxpayers (PAN holders)

Form 26AS will be prepared only for the financial year 2005-06 onwards. It is an annual tax statement and is divided into three parts.

Three parts of Form 26AS:

Part A

This displays details of TDS by each deductor who made a specified kind of payment to you. Details of the deductor (name and TAN) along with details of tax deducted such as section under which the deduction was made (for example, Section 192 for salary), date on which payment was effected, amount paid or credited, tax deducted from payments and deposited in the bank are included in this part.

Part B

It displays details of tax collected at source (TCS) by a seller of specified goods at the time these goods have been sold to you. Details similar to those displayed in Part A in respect of the seller and the tax collected will also be available.

Part C

This part displays details of income tax directly paid by you (such as advance tax and self-assessment tax), and details of the challan through which you have deposited this tax in the bank.

TIN system

Every non-government entity that has deducted or collected tax at source is required to deposit it through a bank. Banks will upload this payment-related information to the TIN central system. These deductors are also required to file a quarterly statement to TIN, giving the details of their TDS.

The TIN central system will match the tax payment related information in the statement with the tax receipt information from banks. If both of these match, TIN will create a comprehensive ledger for each PAN holder giving details of the

tax deducted and collected. Government deductors are required to deduct and collect tax at source, and deposit in the government account.

In this case, however, the tax is transferred to the government account through a book-entry and not deposited through a bank. These deductors are also expected to file the TDS/TCS statement in electronic form to TIN. As the system for the government accounts officers to upload the details of TDS/TCS deposits through book entry transfer is under implementation, the TDS/TCS details with respect to government deductors are not posted in Form 26AS at present.

Whenever you deposit advance tax or self-assessment tax directly in a bank, the bank will upload this information to the TIN central system three days after the cheque has been cleared. This information will be posted in Part C of your Form 26AS.

Credits available in the tax statement confirm that:

The tax deducted or collected by the deductor has been deposited in the account of the government.

The deductor or collector has filed the TDS statement accurately, giving details of the tax deducted or collected on your behalf.

The bank has furnished details of the tax deposited by you properly

Proof of tax paid

In future, you will be able to use this consolidated tax statement (Form 26AS) as a proof of tax deducted or collected on your behalf, and the tax directly paid by you along with your income tax returns, after the requirement of submission of TDS certificates and tax payment challans along with income tax returns has been dispensed with by the Income Tax Department.

In addition, you can also view details of refunds received during a financial year. PAN needed If the PAN is not mentioned correctly in the TDS statement, the details of TDS cannot be posted on your Form 26AS. Therefore, it is important to provide your PAN to all the entities who deduct or collect tax on your behalf. In case there is something missing in the form, you should ask the deductor to file a correction statement with the income tax authorities.

Point to be Noted:-

Kindly note that in PART A/B (Details of Tax deducted / collected at source), the 'Status of Booking (P/F/U)' indicates the following:-

Provisional (P) – Only for TDS/TCS affected by Government deductors.

Provisional tax credit is effected on the basis of TDS/TCS returns filed only. On

verification of the payment details by the Pay & Accounts officer (PAO), status will change to Final (F).

Unmatched (U) – Deductors have not deposited the taxes or have furnished incorrect particulars of tax payment. Final credit will be reflected only when the payment details in the bank match with the details of deposit in the TDS/TCS return.

Final (F) – In case of non-Government deductors, payment details of TDS/TCS deposited in bank by the deductor have matched with the payment details mentioned in the TDS/TCS return filed by the deductor.

In case of Government deductors, details of TDS/TCS booked in Government account have been verified by the Pay and Accounts Officer (PAO).

In PARTC, Details of Tax Paid (Other than TDS or TCS) related to Securities Transaction Tax and Banking Cash Transaction Tax is not displayed.

Possible reasons for mismatch/missing entry in Part A/B (Details of TDS or TCS) are as follow:-

- Deductor / collector has not filed quarterly TDS/TCS return.
- Deductor /collector has not quoted or has wrongly quoted your PAN in the TDS/TCS return.
- You have not provided PAN or have provided wrong PAN to the deductor/collector.
- The TDS/TCS return filed by the deductor/collector is rejected in the system.
- In case of entries with Status of Booking "U" (Unmatched)
 - a. Deductor has wrongly quoted the challan details in the return against which your TDS/TCS was deposited.
 - b. Deductor has provided correct challan details in TDS/TCS return but bank has made error while digitising challan details.

Possible reasons for mismatch / missing entry in 'Part C 'Details of tax paid (other than TDS or TCS) are as follow:-

- Bank has digitized incorrect PAN in Challan.
- Bank has not uploaded the digitized challan.
- The Bank has made error in digitising amount/major head while digitizing the Challan data.
- The Bank has made error in digitising CIN details in the Challan data.
- You have mentioned wrong A.Y. in the challan which will result in updation of Form 26AS for wrong A.Y.
- You have quoted incorrect PAN in the tax payment challan.

- CIN consists of the BSR code of the bank branch where you deposited the tax, date on which you deposited tax and the challan serial number which have been stamped on the counter foil of the challan given to you.

Frequently Asked Questions and answers:-

Q. What is Form 26AS?

Answer- Form 26AS is a consolidated tax statement issued under Rule 31 AB of Income Tax Rules to PAN holders. This statement, with respect to a financial year, will include details of:

- a) tax deducted at source (TDS);
- b) tax collected at source (TCS); and
- c) advance tax/self assessment tax/regular assessment tax etc., deposited in the bank by the taxpayers (PAN holders).

Form 26AS will be prepared only with respect to Financial Year 05-06 onwards.

- d) Paid refund received during the financial year.

Q. How is the information in my Form 26AS organized?

Answer- The Form 26AS (Annual Tax Statement) is divided into three parts, namely; Part A, B and C as under:

Part A displays details of tax which has been deducted at source (TDS) by each person (deductor) who made a specified kind of payment to you. Details of the deductor (name & TAN) along with details of tax deducted like section under which deduction was made (e.g. section 192 for salary), date on which payment was effected, amount paid/credited, tax deducted from payments and deposited in the bank are included in this part.

Part B displays details of tax collected at source (TCS) by the seller of specified goods at time these goods have been sold to you. Details similar to those displayed in Part A in respect of the seller and the tax collected will also be available.

Part C displays details of income tax directly paid by you (like advance tax, self assessment tax) and details of the challan through which you have deposited this tax in the bank.

Q. How are the details of TDS/TCS with respect to non-governmental deductors posted in Form 26AS?

Answer- Every non-governmental entity that has deducted or collected tax at source is required to deposit the tax to the government account through a bank. Banks will upload this payment-related information to the TIN central system.

These deductors are also required to file a quarterly statement to TIN giving the details of their TDS/TCS.

The TIN central system will match the tax payment-related information in the statement with the tax receipt information from the banks. If both of these match, TIN will create a comprehensive ledger for each PAN holder giving details of the tax deducted/collected on its basis by every deductor who has filed the statement.

Q. How are the details of TDS/TCS with respect to government deductors posted in Form 26AS?

Answer- As in the case of non-governmental deductors, government deductors are required to deduct/collect tax at source and deposit to government account. In this case, however, the tax is transferred to the government account through a book-entry and not deposited through banks.

These deductors are also expected to file the TDS/TCS statement in electronic form to TIN.

As the system for the government account officers to upload the details of TDS/TCS deposit through book entry transfer is under implementation, the TDS/TCS details with respect to government deductors are not posted in Form 26AS at present.

Q. How are the details of income tax directly deposited in the banks by the taxpayers posted in Part C of Form 26AS?

Answer- Whenever you as a tax payer deposit your advance tax/self assessment tax directly to bank, the bank will upload this information to the TIN central system three days after the cheque has been cleared. This information will be posted in Part C of your Form 26AS.

Q. How is my Form 26AS updated when I pay my Self Assessment / Advance Tax?

Answer- Banks upload challan details to TIN on a T+3 basis after the realization of the tax payment cheques. On the day after the bank uploads the details of self assessment/advance tax to TIN, it will post these details into your Form 26AS.

Q. How is my Form 26AS updated after my deductor deducts my tax?

Answer- As and when TDS/TCS statements furnished by the deductors are uploaded to TIN central system, challan information from the statements and the challan information from bank uploads are matched and Form 26AS is updated. This is a daily activity.

As per the Income Tax Act, the deductors/collectors are required to file their TDS/TCS statements every quarter. This means that within about 15 days of the deductors filing quarterly e-TDS/TCS statement, the TDS/TCS entries will be posted in the tax statement which is available in the TIN website.

Q. How is Form 26AS useful for me?

Answer- The credits available in the tax statement confirm that:

- a) the tax deducted/collected by the deductor/collector has been deposited to the account of the government;
- b) the deductor/collector has accurately filed the TDS/TCS statement giving details of the tax deducted/collected on your behalf;
- c) bank has properly furnished the details of the tax deposited by you.

In future, you will be able to use this consolidated tax statement (Form 26AS) as a proof of tax deducted/collected on your behalf and the tax directly paid by you along with your income tax return, after the need for submission of TDS/TCS certificates and tax payment challans along with income tax returns has been dispensed with by the Income Tax Department (ITD).

However, as of now for claiming the credit for tax deducted/collected at source you may be required to enclose TDS/TCS certificates (Form 16/16A) issued to you by the deductor.

In addition to the above, you can also view the details of paid refund received during the financial year.

Q. What happens if my PAN is not correctly provided in the TDS/TCS statement filed by my deductor?

Answer- In such cases the details of TDS/TCS cannot be posted into your Form 26AS. Therefore it is important to provide your PAN to all the entities who deduct/collect tax on your behalf.

Q. What happens if I have not given my PAN in the tax payment challan used for depositing my advance/self assessment tax?

Answer- In such cases, the tax payment details will not be posted in Form 26AS. Therefore, it is important for you to correctly state your PAN in your tax payment challans.

Q. What is the source of the information like my name and address given in the Form 26AS?

Answer- The name and address in the annual tax statement against your PAN is taken from the Income Tax Department (ITD) PAN database.

In case this address in the PAN database available with ITD is not your current address, the annual tax statement which is proposed to be printed and posted to you every year will not reach you.

If you need to update your name and address in the PAN database, you can rectify the same by making an application using the 'Request for new PAN card or/and changes or correction in PAN data'. This request can be made either online or through the existing network of TIN-FCs. Details are available at the TIN website.

Q. How can any deductor verify the status of the TDS/TCS statements furnished by him?

Answer- The deductor can use the TAN view facility available at TIN website to verify both upload and booking status of the TDS/TCS statement uploaded by it.