

# The Assam Rising

Projecting the best of Northeast India everyday

GUWAHATI ■ SATURDAY ■ JANUARY 30, 2021

## TDS Compliances, Do-It-Yourself, works best



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**A**re you a business entity, making payments to your employees, service providers or any others? If yes, for most, it is mandatory to deduct tax at source (TDS) for specified payment types. The entity needs to deposit the TDS to the IT

Department every month. Every quarter a statement in electronic format (eTDS Return) needs to be submitted, detailing the deposit with its associated deductions. Owing to e-governance, the tax and compliance domain is now substantially computerized and the process has become extremely simple but demands accuracy. Errors, inaccuracies and delays attract interest/penalties. You should avoid being in such a situation. Deduction of taxes and monthly deposits are routine accounting functions. For preparing the quarterly eTDS Return, this information is to be placed in a specified order using one of the specialized software for the purpose. A good software will assist in eliminating errors if any, and seamlessly generate the returns ready for e-filing. Earlier, handling of TDS was quite complex and time-consuming, to say the least tedious, owing to the amount of paperwork and departmental follow-ups. But with e-filing of TDS Returns, the process has been simplified, besides all post-submission information and activities are available online. You can easily do in-house, instead of seeking external professional help. Data is readily available, avoids duplication of effort & coordination hassles, it is more efficient, takes lesser time and most importantly, there is a superior control to prevent errors. You also have reduced chances of delayed filing.

Not only this, you have a complete internal grip on TDS compliance. If any post-submission errors are detected, these can be easily rectified. There is no additional manpower or infrastructure required, but just with efficient TDS software and you are good to go. For unique situations, professional help can always be availed. If you are handling large volumes of TDS information or your accounting functions are outsourced, you may consider outsourcing of the process of TDS preparation and filing. This would enable you to reduce costs, provide professional capabilities, thus better time & resource management for your business. Now that the procedure is quite simple, the first option should be to handle TDS compliances in-house. Outsourcing as an option should only be considered in exceptional cases, wherein it is part of the overall responsibility of the accounting functions. For your better understanding, TDS is deducted on all kinds of payments, you make as a business entity like salary, interest on bank deposits and bonds, payment to contractors and sub-contractors, insurance commission, commission or brokerage, rent, professional fee and technical services etc. There are specialised Software providers, who can make your life simpler and you are good to go with your TDS preparation and filing, in-house.