

MUMBAI PORT TRUST
ESTATE DIVISION

No.EM/AS-6/F-310/ 275

Date : 21.04.2018

To,
Lessees / Tenants /Licensees & all concerned under Income Tax Act

As directed, this is to inform you that for the Financial Year 2018-19, the rate of Tax Deducted at Source on the rent amount payable by you to Mumbai Port Trust is to be considered same as prescribed in the Finance Act, 2018. The TDS applicable for financial year 2018-2019 under Section 194(I) of the Income Tax Act, 1961 is 10% of the gross amount for the use of land or building etc., at the time of credit or payment whichever is earlier, when the aggregate sums credited or paid during the financial year exceeds Rs.1,80,000/-

2. The amount of tax should be calculated on the gross amount i.e. on the entire amount of rent / compensation and not on the amount in excess of Rs.1,80,000/- and tax deducted at source (TDS) under Section 194(I) of Income Tax Act would be required to be made on the amount of rent paid/ payable without including the Service Tax.

3. If the aggregate amount of rent / compensation receivable from a particular tenant/ lessee/ licensee in respect of all lettings exceeds Rs.1,80,000/- in a financial year, it would be the responsibility of the person making the payment of rent/ compensation, to deduct income tax at source. In such cases, the net amount should be accompanied by the TDS certificates in Form No.16A,

4. The date on which the net amount is received will be taken as the date of receipt for computation of interest on delayed payments even for the amount of tax deducted. It will be the onus of the lessee / tenant / licensee deducting the income tax at source to remit it in time to the Government treasury. If there is any delay on his part, he would be required to pay penalty or face prosecution under the Act by the Income Tax Authorities. In short, the date of receipt of the net amount will be considered as the date of receipt of the gross amount, only where the TDS Certificate in Form No.16A is received.

5. Interest for delayed payment of bills @18% p.a. will be computed taking the date of receipt of the net amount as the base.

6. All tenants/lessees/licensees deducting TDS are requested to forward all the TDS certificates in Form No.16A at the earliest, which are to be downloaded only from TRACES an online portal run by Income Tax Deptt. (<https://www.tdscpc.gov.in>). Valid certificates downloaded from TRACES bear 7 character alphabet unique certificate number. It will have TDS-CPC logo on the left side and national emblem on the right side. In this connection, further, it is mandatory to submit the quarterly challans by the beginning of the next quarter and the Consolidated Annual Report of TDS Certificates by the 1st week of the next Financial Year. It shall be necessary for all tenants / lessees / licencees to furnish the PAN No., TAN No. alongwith certified copy of the documents issued by the Income Tax Department indicating correct billing code No. and Plot No. of MbPT, nature of payment with monthwise details of billed and paid amount for TDS to facilitate proper accounting of such amounts paid by them. All the payments and relevant Income Tax documents including quarterly challans, TDS Certificates, Tax Returns, etc. under reference should be submitted at Estate Cash Section only within stipulated time, failing which the amount received will be treated as part payment as against the "compensation" paid towards arrears payable to MbPT. Kindly refer to this office circular No.EM/AS-G/F-310/8679 dated 27.03.2014.

7. The Permanent Account Number of MbPT is AAATM5001D. This may be incorporated in the TDS certificates.

8. Your kind attention is invited to this office circular bearing No.EM/AS-6/F-310/8649 dated 19.3.2010 and submit your TAN No. at an early date, if not furnished so far, so that the same could be furnished to the Income Tax Department.

Sd/-
(H.P.Kulkarni)
Estate Manager (I/C)