

Date: 31st March, 2025

To,

1. Smt. Nirmala Sitharaman,
Hon'ble Finance Minister of India
North Block, New Delhi – 110 001

2. Shri Ravi Agarwal,
Hon'ble Chairman,
Central Board of Direct Taxes, North Block,
Delhi – 110 001

Respected Madam / Sir,

Sub : Request for extension of due date for submission of correction of TDS and TCS statements from 31/03/2025 to 30/06/2025

The Chamber of Tax Consultants, established in 1926, is one of the oldest non-profit organizations of tax practitioners, having Advocates, Chartered Accountants and Tax Practitioners as its members spread across Pan India. The Chamber is on the cusp of its Centenary year which will be commencing from July 2025. Many senior tax professionals who regularly appear before the Supreme Court, High Courts and Income-tax Appellate Tribunal are its Past Presidents. The Chamber has been making regular representations before various government agencies.

The Chamber regularly takes up initiatives to act as a bridge between stakeholders and concerned regulatory bodies in order to convey and help in resolving genuine grievances or effectively implement the laws.

This representation intends to draw your kind attention on issues faced by deductors and collectors in submission of correction statements. The issues faced and the concerns arising are explained in detail hereunder :

There was no time limit for furnishing correction TDS and TCS statements. Hence such statements could be revised multiple times indefinitely and thus these provisions could have been misused causing difficulty to deductees / collectees. Accordingly, in order to put certainty and finality on the filing process of TDS and TCS statements Finance (No. 2) Act, 2024, has inserted second proviso to section 200(3) and proviso to section 206(3B) w.e.f. 01/04/2025 prescribing time limit for filing correction statements. Thereby no correction statement shall be delivered after the expiry of six years from the end of the financial year in which the statement referred to in sub-section (3) is required to be delivered. In view of

the above, correction statements pertaining to period commencing from Financial Year 2007-08 to first three quarters of financial year 2018-19 can be submitted only up-to 31st March 2025.

This is welcome move, but deductors /collectors are facing technical issues in submission of correction statements, few of which are listed hereinunder :

- i) Many old dues are shown outstanding on TRACES portal for which deductor has never received communication from Income Tax Department. In many cases dues are paid but since deductors /collectors have not set off said payments against demands by submitting correction statements, the demands are still shown outstanding.
- ii) The correction statements for TDS and/or TCS need to be submitted through TRACES. The deductors /collectors needs to submit request for justification reports to understand reasons for demands and need to download consolidated file for submission of correction statements. It is brought to your notice that in-spite of submission of correct information the request for consolidated corrections are not getting submitted on TRACES portal. The system is showing error that there data submitted does not match with data available in systems.
- iii) The demands in these cases are as old as for financial year 2007-08. In few cases, the deductors /collectors have submitted offline TDS/TCS statements in physical forms. In such cases, the deductors /collectors are unable to obtain justification requests and consolidated statements. Even the jurisdictional TDS officers are unable to provide the justification requests and consolidated statements.
- iv) The corrections statements which are submitted on TRACES portal are not getting processed. Generally corrections statements are processed in 1 – 2 days, but for corrections statements submitted in last few days are yet to be processed, leading to uncertainty for deductors /collectors.
- v) TRACES website is not working properly since last few days.

In view of the genuine hardship faced by deductors /collectors, it is hereby requested that the due date for filing correction statements pertaining to Financial Year 2007-08 to 2018-19 which is falling on 31st March 2025 be extended for three months i.e. upto 30th June, 2025.

We request you to kindly consider the above suggestion and take necessary actions in the interest of the tax-payers and the society at large.

We look forward for your kind consideration to the genuine request.

Yours Sincerely,

For **THE CHAMBER OF TAX CONSULTANTS**

Sd/-
Vijay Bhatt
President

Sd/-
Ketan Vajani
Chairman
Law and Representation Committee

Sd/-
Apurva Shah
Co-Chairman