**Draft letter to be sent to assessees’ customers/suppliers for compliance of above Sections asking for various details is given herein below**

**DECLARATION**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ being Director/Partner/Proprietor/Authorised signatory of M/s  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_     (name of the entity) (hereinafter referred to as “the entity”) having its registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and having PAN Number of Income Tax as                                 (Photocopy of PAN Card enclosed) on behalf of the said entity do hereby make the following declaration:

|  |  |  |
| --- | --- | --- |
| **S. No.** | **Particulars** | **Please tick (As applicable)** |
| 1. | The total sales/gross receipts/turnover of the above entity exceeded Rs. 10 Crores (Rupees Ten Crores) (inclusive of GST) during Financial Year 2020 -21. |  |
| 2. | The total sales/gross receipts/turnover of the above entity was equal to or less than Rs.10 Crores during the Financial Year 2020 – 21. |  |
| 3. | Since we fall in category specified in S. No. 1 above and are buying goods from your company and the aggregate value of such goods has already exceeded Rs.50 Lakhs/shall exceed Rs. 50 Lakhs till 30th June 2021, w.e.f. 1st July 2021 we shall be deducting TDS @ 0.10% of purchases value/payments (including advances) made to you exceeding Rs.50 Lakhs. We shall be issuing you requisite TDS Certificate(s) on monthly/Quaterly basis as required under provisions of the Income Tax Act, 1961. |  |
| 4. | Since our total sales/gross receipts/ turnover (including GST) of the above entity was less than Rs.10 Crores during the financial year 2020-21, we are not required to deduct TDS under section 194Q of Income Tax Act, 1961. As you have informed us that since your turnover during the financial year 2020 – 21 has exceeded Rs.10 Crores, you may collect TCS (Tax Collected at Source) @ 0.10% of payments made by us against your sales to our entity exceeding Rs.50 Lakhs as per Section 206C(1H) of Income Tax Act, 1961. |  |
| 5. | As desired by you we are giving herein below details of Income Tax Returns filed by us for the above entity for the last 2 (Two) Assessment Years. |  |

**Declaration of Filing Income Tax Returns:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S. No.** | **Financial Year** | **Assessment Year** | **Whether ITR Filed**  **(Yes/No)** | **ITR Acknowledgement Number (if ITR filed)** | **Date of Filing** |
| 1. | 2018 – 19 | 2019 – 20 |  |  |  |
| 2. | 2019 – 20 | 2020 – 21 |  |  |  |

**(Please note that it is mandatory to give the above details of Income Tax returns filed since otherwise higher rates of TDS/TCS shall be applicable in view of provisions of Sections 206AB/206CCA inserted w.e.f. 01.07.2021 by**[***Finance Act, 2021***](https://taxguru.in/income-tax/finance-act-2021.html)**; the above declaration is applicable to entities whose aggregate of TDS and TCS was Rs. 50,000 or more during each of the above Two Financial Years )**

I hereby confirm that the above details in respect of total sales/gross receipts/turnover of the entity’s business and its Income Tax Returns filed are true and correct. If any of the above statement is found to be incorrect and untrue, I/we ​                                                                                shall be liable to indemnify M/s \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ having its work office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for any demand/penalty/interest as may be levied on you by Income Tax Authorities for any non-compliance/ wrong compliance on your part due to incorrect/untrue information given by us to you.

**For \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**(Name )**

**Director/Partner/Authorised Signatory/Proprietor**

**Date:**

**Place:**