GOVERNMENT OF ODISHA FINANCE DEPARTMENT

No. 7555 /F, Dt. 26.03.15 FIN-WM-ACCT-0001/2012

То

All Departments of Government, All Heads of Departments, Chief Executives of State Public Sector Undertakings.

Sub:-Issue of instructions to the State Government Departments and Public Sector Undertakings for depositing TDS and other taxes by 31.03.2015.

The undersigned is directed to enclose herewith a copy of the letterNo.27862 Dated 19.03.2015 received from Principal Chief Commissioner of Income Tax, Odisha on the subject cited above and request them to bring it to the notice of the all the subordinate offices under their control.

Additional Secretary to Govt.

Memo No. 7556 /F, dated 26.03.15

Copy forwarded to Sri Nathan Raul, Principal Chief Commissioner of Income Tax, Odisha, Aayakar Bhawan, Rajaswa Vihar, Bhubaneswar for favour of information.

Additional Secretary to Govt.



DY No. 6987/050/2015

प्रधान मुख्य आयकर आयुक्त, ओड़िशा/Principal Chief Commissioner of Income Tax,Odisha,

नायन राजस, भा.स.स. Nathan Raul, IRS

Dear Shi Dati Saheb.

आयकर अवन, राजस्व विहार/Aayakar Bhawan, Rajaswa Vihar, <u> इक्रेन्स्वर -751 007/Bhubaneswar -- 751 007</u> जोन /Phone:0674-2589925/ केक्स /Fax:0674-2589924/2589118

No-27862____ Dated, the 19th March, 2015.

Sub : Issue of instructions to the State Government Departments and Public Sector Undertakings for depositing TDS and other taxes by 31.03.2015 – Request regarding.

ADDL.CIT(T).BBSR

As you are aware, the abrupt halt in mining activities in Odisha since more than a year pursuant to the direction of the Hon'ble Supreme Court to that effect has resulted in general economic slowdown in the state, and, consequently, has adversely impacted the revenue generation by way of direct tax collections. In such a back drop, a steep budget target of direct tax collection of ₹10,513 crores for Odisha region during the current financial year 2014-15 has become a formidable challenge for the Income Tax Department this year. The direct tax collection of Odisha region primarily depends upon TDS and payment of advance tax by a few central and state PSUs like MCL, NALCO, OPGC, OMC, OHPC etc. A few days ago I had an occasion to meet some of the top executives of the State Government PSUs during which time they were impressed upon the need to pay advance tax commensurate with their respective \sim incomes and not to defer the payment of such advance tax. It is noticed post 15.03.2015 (the last date for the final instalment of advance tax) that some of the State Government organisations and PSUs have paid advance tax. However, augmentation of direct tax revenue so far, with a few working days to go before the close of the current financial year, is far from satisfactory. It is in this background that the need to augment direct tax collection through TDS channel has become all the more imperative, given the fact that some of the State Government Departments and PSUs are also our top tax deductors, who pay substantial amounts of TDS in the form of salary, interest on fixed deposits, contract payments etc. I, therefore, take this opportunity to request you to issue a direction to the State Government Departments and PSUs to deposit their respective TDS amount for the month of March, 2015 on or before 31.03.2015 instead of depositing the same in the first week of April, 2015 (as statutorily provided).

One more area where I would request you to bestow your attention is the TDS collected through the office of the Accountant General, Odisha. The time gap between tax deducted at source by the various State Government Departments and the deposit to the Central Government account is quite long, and so far the Zonal Accounts Office, CBDT, Bhubaneswar has got the TDS deposit by the State Government up to the month of January, 2015. Even a small portion of TDS for the month of January, 2015 has also not yet come to the Zonal Accounts Office (CBDT), Bhubaneswar. Our officers are taking all out steps to meet the concerned people in AG and requesting them to expedite the process. If we get the TDS collection for the month of February, 2015 by 31.03.2015, then, it will go a long way in boosting our budget collection.

Looking forward to your cooperation in this regard.

With Kind regards

Yours sincarely nan Raul)

To

Shri G.C. Pati, IAS Chief Secretary to the Govt. of Odisha, Bhubaneswar,