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Purchasing property comes with important tax considerations that buyers should understand. One major aspect is Tax Deducted at Source (TDS) on property value
exceeds Rs. 50 lakhs. The TDS is meant to curb tax evasion in real estate transactions. As such, the buyer must deduct this 1% TDS from the payment to the seller and deposit it with the government. To submit the deducted TDS, buyers need a payment challan or Form 26QB. This article explains the intricacies of Form 26QB, such as its key
provisions, and when and how to file it correctly. Section 194-IA of the Income Tax Act mandates the deduction of TDS when purchasing an immovable property value as TDS and remit it to the government. Form 26QB serves as a payment
challan used by the buyer to submit the deducted tax to the seller. This TDS regulation applies to all immovable property purchases, except for agricultural land, including commercial buildings, residential apartments, and land plots. However, a land shall not be treated as agricultural land if: a) It's situated within the jurisdiction of a Municipality or
Cantonment Board with a population of not less than 10,000; or b) It's located within a specified distance measured aerially from these areas: Population of the municipalityDistance from municipal limit or cantonment boardMore than 10,000 but does not exceed 1 lakhWithin 2 kmsMore than 1,00,000 but does not exceed 10 lakhWithin 6
kmsExceeding 10 lakhWithin 8 kms Section 194-IA of the Income Tax Act 1961 sets rules for buying and selling immovable properties like land and buildings. These include: 1. The buyer must deduct 1% as TDS from the property costs less than Rs. 50 lakhs, no TDS deduction is required. 3. If this
payment is made in instalments, TDS is deductible on each instalment. 4. When making TDS payment, both the buyer and seller must provide their PAN. If not, TDS will be charged at the rate of 20%. 5. After deducting TDS, buyers must send the TDS certificate to the seller. He/she can access this two weeks after depositing TDS via Form 26QB. The
buyer also needs to obtain Form 16B and submit it to the seller. 6. If there are multiple buyers or sellers, use separate Form 26QBs for each. Form 26QBs for each buyer separately, based on the specific combination of buyers and sellers for their respective property shares. For instance, if there's one buyer and two sellers, two
forms are required; if there are two buyers and two sellers, four forms are needed for their corresponding property shares. Buyers must complete and submit Form 26QB within 30 days from the end of the month in which the tax deduction occurs. Let's say you buy a property from a friend, and the transaction starts on 15 December 2022. In this case,
you must submit the TDS amount by 30 January 2023. If you miss the Form 26QB filing deadline, a late fee of Rs. 200 per day will be imposed. Before you start filling Form 26QB, make sure you have all the necessary information to complete it. To fill the 26QB form online, follow the steps below: Step 1: Log in to the e-filing portal at. Step 2: Under
'e-file,' click on 'e-Pay tax.' Step 3: Click on 'New Payment.' Step 4: Select 'Proceed' under the '26 QB (TDS on Sale of Property)' field. Step 5: Complete the form with the necessary details like the seller's residential status, PAN of the seller and buyer, communication details of both parties, property details, and payment and tax details. After
submission, applicants need to choose one of the following modes of payment: - Net banking - Debit card - RTGS/NEFT - Pay at bank counter foil will be displayed, providing proof of the payment made,
including the CIN, payment details, and the bank name used for e-payment. This serves as proof that the payment has been made successfully. Follow these steps to access the 26QB form or download it through the income tax portal: - Enter the PAN number of the
transferor/seller. - Fill in the ACK No. - Select the Assessment Year. - Enter the Captcha code. - Click on proceed. After completing these steps, you can print Form 26QB. Important note: The term "ACK No" denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26AS (Annual Tax Statement) of
the Deductor (Buyer) on the TRACES website. Alternatively, you can use the 'View Acknowledgment' option on the TIN website. To retrieve the Acknowledgment Number, enter the PANs of both the Buyer and Seller, total payment, and specified Assessment Year used during the Form 26QB filing. When buying a new property, it's mandatory for
purchasers to deduct and submit 1% TDS on the total sale amount within 30 days from the following month. Buyers can simplify this process using Form 26QB on the TIN NSDL website for convenient online tax submission. Failing to complete this within the timeframe may result in penalties. For those in search of a loan to finance their dream home
consider Tata Capital for a home loan. We offer home loan EMI calculator to estimate your monthly instalments. Popular Searches More About Loans Purchasing property comes with important tax
considerations that buyers should understand. One major aspect is Tax Deducted at Source (TDS) on property purchases, which was introduced in 2013 under Section 194-IA of the Income Tax Act 1961. This provision requires the deduction of 1% TDS on the purchase price as tax if the property value exceeds Rs. 50 lakhs. The TDS is meant to curb
tax evasion in real estate transactions. As such, the buyer must deduct this 1% TDS from the payment to the seller and deposit it with the government. To submit the deducted TDS, buyers need a payment challan or Form 26QB. This article explains the intricacies of Form 26QB, such as its key provisions, and when and how to file it correctly. Section
194-IA of the Income Tax Act mandates the deduction of TDS when purchasing an immovable property exceeding Rs. 50 lakhs. This implies that, before paying the seller, the buyer must deduct 1% of the property value as TDS and remit it to the government. Form 26QB serves as a payment challan used by the buyer to submit the deducted tax to the
seller. This TDS regulation applies to all immovable property purchases, except for agricultural land, including commercial buildings, residential apartments, and land plots. However, a land shall not be treated as agricultural land if: a) It's situated within the jurisdiction of a Municipality or Cantonment Board with a population of not less than 10,000;
or b) It's located within a specified distance measured aerially from these areas: Population of the municipal limit or cantonment boardMore than 1,00,000 but does not exceed 10 lakhWithin 6 kmsExceeding 10 lakhWithin 8 kms Section 194-IA of the Income Tax Act
1961 sets rules for buying and selling immovable property's sale value during the transaction. 2. If the property costs less than Rs. 50 lakhs, no TDS deduction is required. 3. If this payment is made in instalments, TDS is deductible on each instalment. 4.
When making TDS payment, both the buyer and seller must provide their PAN. If not, TDS will be charged at the rate of 20%. 5. After deducting TDS, buyers must send the TDS certificate to the seller. He/she can access this two weeks after depositing TDS via Form 26QB. The buyer also needs to obtain Form 16B and submit it to the seller. 6. If there
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needed for their corresponding property shares. Buyers must complete and submit Form 26QB within 30 days from the end of the month in which the tax deduction occurs. Let's say you buy a property from a friend, and the transaction starts on 15 December 2022. In this case, you must submit the TDS amount by 30 January 2023. If you miss the
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payment: - Net banking - Debit card - RTGS/NEFT - Pay at bank counter - Payment made, including the CIN, payment details, and the bank name used for e-
payment. This serves as proof that the payment has been made successfully. Follow these steps to access the 26QB form or download it through the income tax portal: - Visit the TIN government portal. - Enter the PAN number of the transferor/seller. - Fill in the ACK No. - Select the Assessment Year.
- Enter the Captcha code. - Click on proceed. After completing these steps, you can print Form 26QB. Important note: The term "ACK No." denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26QB in the Form 26QB in the Form 26QB. Important note: The term "ACK No." denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26QB. Important note: The term "ACK No." denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26QB in the Form 26QB. Important note: The term "ACK No." denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26QB in the Form 26QB. Important note: The term "ACK No." denotes the Acknowledgment number. You can locate the ACK No. for your submitted Form 26QB in the Form 26QB in
use the 'View Acknowledgment' option on the TIN website. To retrieve the Acknowledgment Number, enter the PANs of both the Buyer and Seller, total payment, and specified Assessment Year used during the Form 26QB filing. When buying a new property, it's mandatory for purchasers to deduct and submit 1% TDS on the total sale amount within
30 days from the following month. Buyers can simplify this process using Form 26QB on the TIN NSDL website for convenient online tax submission. Failing to complete this within the timeframe may result in penalties. For those in search of a loan to finance their dream home, consider Tata Capital for a home loan. We offer home loans with
attractive interest rates, flexible repayment tenures, and minimal documentation. Visit our website today and make use of our home loan EMI calculator to estimate your monthly instalments. Popular Searches More About Loans Urvi Parekh Ambbala As we all know that the purchaser of property with value of Rs. 50 lakh and above should deduct 1%
TDS at the time of making payment. Here is the guide about making payment process and the steps to be taken to obtain Form 16B (for the deductor or buyer) and Form 26QB for the (seller or deductee): Firstly one
has to go to the site of Tin.nsdl in following link: Online Payment through Challan 26QB: Once this link is opened click on Form 26QB (Payment of TDS on sale of property). Select (0021) in case of non corporate payer and 0020 in case of corporate payer.
page, this will then take you to the next page, which will give you the option to select your bank. Once the payment is made the bank will let you print challan and
keep the same for your records and for the builder/seller if required. This is the first phase of the process. There is also alternative mode payment through bank" Choose that & it allows you to generate online
receipt for Form 26QB with Ack no. The same can be valid for 10 days from the date of generation online. The same is to be carried at the authorized bank (list is given on the TIN.nsdl site) with cheque. Bank will do online payment for you & generate Challan. Generation of Form 16B: Once this is completed one has to wait for seven days for the
details to be reflected on TRACES web site - . As a first time user, you will have to register on this website as Tax Payer with your PAN card no. & Challan no as generated while payment (no need to have TAN) Once you register whether as seller or buyer, you will be able to obtain the Form 16B or 26QB which has been approved and is reflected
against your PAN in your Form 26AS. Check Form 26 AS after seven days and you will notice that the payment you had effected against TDS on sale of Immoveable Property is reflected in Part F of the Form 26 AS under 'Details of Tax Deducted at Source on Sale of Immoveable Property u/s 194(IA) [For Buyer of Property]. This will give you details such as the
TDS certificate number (generated by TRACES), name of deductee, acknowledgement number (same as above on Form 26QB), total transaction amount, transaction amount, transaction amount, transaction date, TDS deposited, date of deposit, status of booking and date of booking. Once the payment is reflected in 26AS as above, you will have to go to the TRACES again.
Login to the website & Go to 'Download' Tab & make application for request of Form 16B To make a request for download, here fill in the acknowledgment number (nine digit number) & required details as asked which is reflected on Form 26AS Part F as mentioned above. It will give application & generates an application request number. Now, click
on 'Downloads' tab. In the drop down menu click on 'requested downloads'. You can filter by way of Request no or by Date filter. You can see you request for Form 16B as Submitted. Within a couple of hours, the application gets processed and you will be able to view your Form 16B as Available. Download it & it will give Zip file, save at your
destination & to open it, use the password of Date of birth of Deductor. (DDMMYYYY) Form 16B will be available in PDF format. You can take a printout of the seller to obtain form 26QB. Republished with Amendments Income
Tax Act 1961, a few key rules regarding the sale and purchase of immovable property, also known as the deductor, is required to deduct TDS from the consideration payable to the property seller. This is required if the transaction value is more than ₹50
lakhs, and the deductor is required to issue Form-16B to the deductee (seller). All such requirements for Form-26QB have been listed under Section 194-IA. So, in this guide, we explore everything that you need to know about form 26QB. FM Nirmala Sitharaman has made two announcements for those opting for the new tax regime
First, the standard deduction for salaried employees is proposed to be increased from Rs 50,000/- to Rs 75,000/-. Second, in the new tax regime, the tax rate structure is proposed to be revised, as follows: As a result of these changes,
a salaried employee in the new tax regime stands to save up to Rs 17,500/- in income tax. Any person or HUF purchasing a property, whichever is higher. According to section 194IA of the Income Tax Act, TDS is applicable on the purchase of immovable
of the property if it is more than the sale value. Also, if the value of the property exceeds ₹50 lakhs, the TDS is deducted on the entire amount over and above ₹50 lakhs. For example, if Mr. B purchased a property from Mr. S for a sum of ₹60 Lacs, but the stamp duty value of such property is ₹65 Lacs. In this example, the
TDS will be calculated on ₹65 lakhs and not on ₹15 lakhs (65,00,000 - 50,00,000). Under the new amendment, a TDS of 1% will be calculated and deducted on a total of ₹65 Lacs, i.e., 65,000/-, and Mr. B will be paid ₹59.35 Lacs. The amount of Rs.65,000 (Sixty Five Thousand) deducted as TDS by Mr. B shall be deposited to the government within 30
days from the end of the month in challan Form 26QB (TDS on Property). You must provide your purchaser with the PAN card so that information in regard to the TDS can be furnished to the IT Department. You should ensure that the purchaser weith the PAN card so that information in regard to the TDS can be furnished to the IT Department. You should ensure that the purchaser weith the PAN card so that information in regard to the TDS can be furnished to the IT Department.
Form 260B will be filled in by all the buyers for respective sellers, four challans and Form 260B have to be filled in, and in the case of two buyers and two sellers, four challans and Form 260B have to be filled in for the respective property shares, for the application of
Section 194-IA total value of the property will consider, not the respective share of buyer/seller is ₹ 40 Lakhs, the sale consideration respective share of buyer/seller is ₹ 40 Lakhs, the sale consideration respective share of the property will consider
so Section 194-IA is applicable. The below process can be used to fill out form 26QB, from generating form 26QB to making payment online.: Step 1: Go to the official Income Tax website and log in to your account. Step 2: Navigate to the 'Proceed' button for '26QB (TDS on sale of the property)' in
the 'New payment' section. Step 3: Fill in three pages with the necessary information, including buyer and seller basic details, as well as the residential status of the seller. Step 4: On the following page, choose your preferred
payment mode: 'Pay later' or 'Pay Now. Step 5: Click on 'Pay Now' to proceed with paying the required TDS amount. After payment, the Form 26QB acknowledgment will be generated and can be downloaded. Step 6: Once Form 26QB is processed, you can generate the TDS Certificate from the TRACES Portal by logging in as a Tax Payer. To learn
how to download Form 26QB, follow these steps: Step 1: Go to the official Income Tax Website and log in. Then select 'e-file' followed by 'e-pay taxes.' Step 2: Choose 'Payment history.' If Form 26QB has already been filed, you will see the option to
download the receipt or statement of Form 26QB. Where can the TDS Deducted on the Property be Seen by the Seller? TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the image: The Buyer, Mr. B, in our case, shall also give a Certificate of TDS deducted in Form 26AS Part F, as shown in the Image: The Buyer F, as shown in the Image: The Buyer F, as shown in
194IA needs to be deducted based on the consideration, sale value, or stamp duty value and not from Rs. 66,00,000. TDS was brought to introduced to
keep a track of transactions related to the sale and purchase in the real estate sector. This was done because it is a highly speculative market where transactions are done partly in cash and purchase in the real estate sector. This was done because it is a highly speculative market where transactions are done partly in cash and purchase in the real estate sector. This was done because it is a highly speculative market where transactions are done partly in cash and purchase in the real estate sector.
stamp value. Ask Tax Query? Click Here Here we answered a few of the commonly asked questions about Form 26QB: A. If you are wondering how to pay and access the form through Challan 26QB then here are the steps you need to follow: Go to the TIN NSDL website and click on the link "e-payment: Pay Tax Online" located under the homepage's
"Services" tab. On the next tab, click on Form 26QB (Online Form for Property Furnishing TDS) under the TDS on Property Sale menu: Fill out the appropriate details Download process: Form 26QB When the payment has been made, the purchaser will have to wait a few days for the information to be reflected on the TRACES website. Registered
users will be able to receive either Form 16B or Form 26AS. If the payment has been recorded in Form 26AS, the payment made on the sale of Immovable Property under section 194(IA). This will display
information such as the TDS certificate number, name of the deductee, PAN of the deductee, total transaction amount, booking date. Now click on the 'Downloads' tab to go to the TRACES website. Click on 'requested files' in the drop-down line. If an
application is not submitted the user will be asked to submit a download request. Enter the nine-digit acknowledgment number reflected on Form 26AS Part F. After doing so, the user may display the application status. The application will be processed in a few hours, and the user can access Form 16B by entering the number of the submission. To
receive Form 26QB a similar procedure must be followed. Q What type of form 26QB and form16B are? A. Form 26QB is a return cum challan which is used for payment of TDS to the government of India. Form 16B is a TDS certificate issued to deduct TDS by the buyer to the seller. Q What type of form 26QB and form16B are? A. following List of the
process for filing TDS is as follows Calculate 1 Percent of TDS on the overall consideration for sales. The seller will be paying Rs. 59,40,000 after TDS for a property being sold for Rs. 60 lakhs. Make the payment online on Form 260B. It creates a challan. Notice that this has to be completed within 7 days from the end of the month TDS is deducted in
The payment is reflected within 7 days on Form 26AS of the seller under Part F heading. Buyer will then be allowed to provide the seller with your PAN and challan number on the TRACES web site. Payment By Challan 26QB (Online &
Offline): To make your payment through Challan 26QB, here's what you need to do: Stage-1-Go to.tin.eqov-nsdl.com / e-tax new / tds non tds.jsp services online. Stage-2-Click Form 26QB, select one of the options given: (0020) Corporation Tax
(Companies) (0021)-Income tax (other than corporations) Assessment Year and financial year TDS deductor address and Information on Property After that, pick the Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net banking facility) immediately The Payment of e-tax (via net
                                  Stage-5- Filled up empty blanks and press Continue. If you prefer the net banking option then you will use your Internet banking credentials to log in to your account and make the payment. You can access Form 26QB when payment is completed. However, if you choose the "Pat Later" option then a unique
Acknowledgement Number will produce with Form 26QB for you. To make the payment, you need to make the form to your bank branch. You need to make the payment and verifying that the
payment is reflected in Form 26AS, and download Form 26AS from the Downloads menu after providing the relevant information. A confirmation screen appears. The two options are given to user-" Print Form 26QB "and" Send to Bank. It also shows a specific acknowledgment number. Keep a record for future use of that acknowledgment amount. To
take a copy of the document click "Print Form 26QB." Mode of Payment you may make the Taxation payment instantly, i.e. via net-bank or by visiting one of the bank branches on a subsequent date. If the payment is made online, a print of the Challan 280 marked on 800 may be taken. If the payment is made at a branch, an e-receipt for Form 26QB.
will be generated along with a unique acknowledgment number. This has to be submitted with the cash or cheque to each of the approved lenders. The institution must generate the Challan until the tax sum is paid to the bank. For the payment here is the list of some Authorised bank HDFC Bank Central Bank of India Indian Overseas Bank Jammu &
Kashmir Bank Axis Bank Bank of Baroda Corporation Bank ICICI Bank Oriental Bank Orient
of India Q What are different Methods for Income Tax/ TDS / TCS Payment? Following Different methods for Income Tax/ TDS / TCS Payment Wia Net Banking Debit Card Pay at Counter NEFT/RTGS Payment gains from
property sales along with the TDS details found in Form 26AS would have to be recorded in the seller's income tax return. Q What is the Process for issuing form 16 are as under: After 5 days, proceed to the TRACES portal (www.tdscpc.gov.in) to download Form 16B. Steps to get Form 16B downloaded: Register &
sign in as a taxpayer using your PAN on the TRACES portal (www.tdscpc.gov.in) Under the "Downloads" tab, pick "Form 16B (For Buyer)." Enter the property transaction information for which you must submit Form 16B. Enter the property transaction information for which you must submit Form 16B.
continue, click on "Submit Application." Message of completion should appear on the submission of a download request and click on the "download request blease note the request number. To download request number. To download request number. Select the row of requests and click on the "download request number."
HTTP" button. Q How can I deduct TDS if I don't have TAN? A. To deduct TDS, the buyer need not have a Tax Collection and Deduction Account Number (TAN). Additionally, both the buyer and the seller need to provide their PAN for the transaction like TDS deduction. Q. I had forgotten to subtract TDS when I bought a house. Now, what will I do? A.
Non-deduction of TDS on the remaining TDS balance faces a penalty value of 1 percent. To set the account straight you need to act and pay the penalty as soon as possible. Be sure to forward the TDS is required for purchasing
agricultural land? A. No. As per Section 194-IA, If you are purchasing agricultural land, you do not need to deduct TDS for the transaction Q. Is the Deduction of TDS is Compulsory if I am Purchasing Agricultural Land? A. No, As per section 194-IA, If you are purchasing Agricultural land, you do not need to deduct TDS for the transaction Q. Is the Deduction of TDS is Compulsory if I am Purchasing Agricultural Land? A. No, As per section 194-IA, If you are purchasing Agricultural land, you do not need to deduct TDS for the transaction Q. Is the Deduction of TDS is Compulsory if I am Purchasing Agricultural land, you do not need to deduct TDS for the transaction Q. Is the Deduction of TDS is Compulsory if I am Purchasing Agricultural land? A. No, As per section 194-IA, If you are purchasing Agricultural land, you do not need to deduct TDS if you are purchasing Agricultural land, you do not need to deduct TDS if you are purchasing Agricultural land? A. No, As per section 194-IA, If you are purchasing Agricultural land, you do not need to deduct TDS if you are purchasing Agricultural land.
within the jurisdiction of Municipality or Cantonment Board which has a population of not less than 10,000 or It is Area in any area within below given distance measured are as under: The population of the Municipality Distance from Municipality Distance from Municipality Distance from Municipality Distance measured are as under: The population of the Municipality Distance from Municipality Dista
1,00,000 but does not exceed 10,00,000 Within 6 km Exceeding 10,00,000 Within 8 km Q. How to make payment of TDS by using Form 26QB? A. B
26QB with a unique acknowledgment number, and use this form to visit your bank to pay. Form 26QB enforce for non-compliance with the above TDS provision? A. Penalties relating to Form 26QB of Section 194-IA It is important to remember here that failure to deduct
TDS, issue Form 16B or failure to file Form 26QB attracts attention and penalty. The penalties which apply are as follows: Condition Penalty Non-remittance of TDS to the government The penalty of 1.5 percent of the sum deducted each month Delay in filing of TDS returns
The penalty of 200 Rs per day for the default day Popular Blogs: Form 26QB for TDS on sale of immovable PropertyToday, we're delving deep into the realm of Form 26QB, the indispensable tool you'll need when navigating the complexities of property transactions. In this article, we aim to demystify every essential aspect of Form 26QB in a clear
and jargon-free manner. Whether you're a first-time buyer or a seasoned investor, read on to ensure you're on the right path when dealing with property taxes. In 2013, the Indian government enacted Section 194IA as part of the Finance Act. This section establishes essential guidelines concerning the sale or purchase of immovable properties. It's the
document that seals the deal when you're purchasing an immovable property valued at a minimum of ₹50 lakhs. This includes a wide range of real estate, such as houses, commercial property transaction exceeding ₹50 lakhs, you assume a central role
in the process. Remember that for each unique buyer-seller combination, a separate form is required. Two sellers and one buyer? You'll need to fill out two forms. Two sellers and two buyers? It's straightforward—four forms. Two sellers and two buyers? It's straightforward—four forms. Two sellers and one buyer? You'll need to fill out two forms. Two sellers and two buyers? It's straightforward—four forms. Two sellers and one buyer? You'll need to fill out two forms. Two sellers and two buyers? It's straightforward—four forms. Two sellers are two forms are two forms. Two sellers are two forms are 
value. Let's consider a scenario where Mr. X is acquiring a property from Mr. Y for ₹70 lakhs, while the stamp duty value remains at ₹75 lakhs, totalling ₹75,000. After deducting TDS, Mr X will receive ₹69.25 lakhs. Remember, the stamp duty value remains the
pivotal factor in this calculation. You must submit Form 26QB within 30 days after the month in which your property transaction took place. If multiple buyers are involved, each one must file their own Form 26QB. Furthermore, within 15 days of the transaction, the buyer should provide the seller with the TDS certificate after depositing the TDS
amount. You'll need: PAN of both the seller and the buyer. Address details for both parties. Specifics about the property. Contact information about tax deposit. Since 2022, the Income Tax Department has introduced an easier way to file Form 26QB for TDS,
replacing the older TIN NSDL website method. Log in to the E-filing portal using your PAN and password, the same portal for income tax return filing. Choose 'e-pay tax' under the e-file tab. Select 'Form 26QB (TDS on sale of property)' for new payment. Your personal details will be auto-filled based on your profile. Enter seller details, including
their PAN (separate forms for co-buyers). Fill in property details (property type, agreement date, total consideration amount; tax will be automatically calculated. You can also pay interest if the tax is deposited late. Make the payment using various
options (internet banking, UPI, cards, or pay at a bank counter). After successful payment, you'll receive a unique acknowledgement number along with the challan and TDS statement in Form 26QB. (Keep the Acknowledgement number along with the challan and TDS statement in Form 26QB. (Keep the Acknowledgement number along with the challan and TDS statement in Form 26QB. (Keep the Acknowledgement number along with the challan will also be sent to your registered email.
You can access the TDS certificate on the TRACES portal after 5 days. (Note: For Non-Resident sellers, use Form 27Q instead of Form 26QB, following normal TDS rules.) Visit www.incometax.gov.in to easily download it whenever the need arises. Subsequent to remitting the TDS to the government, the buyer is obliqued to furnish the TDS certificate
Form 16B, to the seller. This certificate becomes accessible approximately 10-15 days after the TDS deposit. Here are simplified steps for Form 16B downloads" tab and choose Form 16B from the drop-down menu. Select Form 26QB, the
assessment year, Acknowledgment number, and the seller's PAN. Then proceed. Your downloaded certificate will be available under the "requested download" section after a few hours. Use your date of birth in DDMMYYYY format as the certificate password. Being unaware of tax matters can lead to undesirable consequences. Failing to deduct TDS,
issue Form 16B, or file Form 26QB under Section 194-IA of the Income Tax Act can lead to penalties and interest charges. Here's what you should know: A 1% interest penalty will be levied on the undeducted TDS amount if the property buyer neglects this crucial step. For those who forget to remit TDS to the government, a monthly penalty of 1.5%
of the deducted amount awaits. In the case of a delay in filing TDS returns, a penalty of ₹200 per day for each day of default shall be imposed. In summary, Form 26QB is your trusted companion in any property transaction exceeding ₹50 lakhs. Section 194-IA of the Income Tax Act mandates a 1% TDS payment through Form 26QB, complete with
strict deadlines. Neglecting this form can result in severe penalties and interest charges. Armed with this knowledge, you can now confidently submit your TDS payment via authorized banks, as outlined in this article. Stay on the right side of the taxman and file Form 26QB promptly! Filing Form 26QB online for TDS on property sale is a
straightforward process. Visit the official income tax website and access the form. Fill in the required details, including PAN, property details, and payment information. After validation, proceed to make the 26QB payment online via OLTAS. Ensure accurate filing to avoid any complications. For joint buyers, each co-owner can fill their respective
portions of the form. Accessing Form 26QB and following these steps ensures compliance with TDS regulations when selling property in India. To download Form 26QB for TDS on property in India. After filling it with the
required details, proceed with the 26QB online payment to meet the 26QB due date and avoid penalties. This TDS on property registration is a crucial step to fulfill your tax obligations. Any person or HUF purchasing an immovable property worth more than Rs. 50 lakh must deduct TDS @1%. when paying
the seller. The TDS amount is paid to the government by filing Form 26QB in under 30 days from the month's end for which the TDS deduction was initiated. For all immovable house properties, commercial property and unconstructed properties except agricultural land. TDS needs to be deducted only on the transactions where sale proceeds are
Rs.50,00,000 (Fifty Lakhs) or more. TDS is to be deducted from the stamp duty value of the property from Mr. S for a sum of
₹60 Lacs, but the stamp duty value of such property is ₹65 Lacs. In this example, the TDS will be calculated on ₹65 lakhs and not on ₹15 lakhs (65,00,000 - 50,00,000). Under the new amendment, a TDS of 1% will be calculated on ₹65 lakhs and not on ₹15 lakhs (65,00,000 - 50,00,000).
amount complicated, you can contact our tax experts, who can help you calculate the TDS amount and file TDS returns. Book an Online CA Now! If you're purchasing a property, keep the following points in mind: Deduct TDS at 1%: De
the seller's PAN is valid and accurate before proceeding. Submit PAN Details Online: Provide both the purchaser's and seller's PAN correctly in the online TDS filing form. Avoid PAN Errors: Double-check PAN details to prevent mistakes. For any correctly in the online TDS filing form.
you need to file a TDS return. The deductors should file a TDS return on time to avoid penalties. Tax2win's tax experts can help you file TDS returns accurately and ensure a smooth tax filing journey. From Tax planning to tax-filing, our experts provide end-to-end tax solutions for your needs. Book eCA consultation Now! Taxpayers will be liable to pay
interest @1% as the case may be, and a penalty of 1% interest on the amount not deducted for TDS Non-remittance of TDS to the government Penalty of 1.5% of the deducted amount per month Delay in filing of TDS returns Penalty of Rs. 200 per
day for each day of default It can be generated by logging into the Traces site. The buyer has to deduct TDS on the entire amount of consideration or the seller. TDS on the entire amount of consideration or the seller is required to procure the TAN for
making TDS payment on the purchase of immovable property. The seller's PAN is mandatory for deducting TDS and filing Form 26QB. You are required to take the seller's PAN beforehand. Visit NSDL site, then choose TDS on sale of property. After that fill all the details, make payment and take a print of Form 26QB generated and submitted to
the bank. Yes, corrections under 26QB are possible, to understand in detail, click here The date of deduction refers to the date on which TDS has been deducted by the buyer. The total value of consideration in Form 26QB for joint property is the entire sale consideration of the property, not each owner's share. It doesn't matter if the ownership is
divided - the TDS applies to the total property value if it exceeds Rs. 50 lakh. The deadline to file Form 26QB and deposit the TDS is within 30 days from the end of the month in which you deducted the TDS from the property seller's payment.
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