

DELHI TRANSPORT CORPORATION
(GOVERNMENT OF N.C.T. OF DELHI)
I.P. ESTATE: NEW DELHI.

No. A/cs/CS-II/2019/ 1404

Date-03-12-2019

Subject:- Clarification on the deduction of GST-TDS and normal TDS under IT Act.

There was some confusion in case of purchase of goods by DTC (like purchase of stationary, purchase of spares parts, purchase of computer hardware, purchase of furniture and fixtures, purchase of electrical items etc) as to whether only GST- TDS @ 2 % is to be deducted on the payment exceeding Rs. 2.5 lakh per contract or in addition to the GST TDS, Normal TDS under IT Act as per applicable rules is also to be deducted.

Said matter was taken up with our GST Consultant, the Consultant Vide his e. mail dated-27-11-2019 has clarified that **only GST - TDS @ 2% is to be deducted against purchase payment (if payment exceeds Rs.2.5 Lakh) cases and need not to deduct any other taxes.**

The Consultant further clarified that on the Services / job works (like AMC, CED Contracts, Professional services), DTC is required to deduct **both Taxes i. e. applicable TDS under IT At and GST- TDS @ 2% where total value of such work / Service under and individual contract exceeds Rs.2.5 Lakh.**

Further, for the purpose of deduction of said TDS, the value of supply shall be taken (on principal amount) excluding the Central Tax, State Tax, Integrated Tax, GST and CESS integrated in the invoice.

All concerned officers of the Accounts department who are passing and releasing the payments are directed to ensure that the said deductions are made and amount so deducted is deposited with Govt.

NA 11/3/12/2019
(V.N. Patil)
Addl. C.A.O

Dy. CGM (MS-I)
Dy. CGM (Publicity)
All RMs.
Dy. Manager (CS-II)
Dy. Manager (Bill- Hq.)
Dy. Manager (Accounts-MS-I)
Dy. Manager (CS-I)
Dy. Manager (Pay)
Dy. Manager (A/cs) – CED.