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CBDT issues circular on TDS from salaries for Financial Year 2020-21: Circular No. 04 of 2022, dated 15th March 2022 The Central Board of Direct Taxes (CBDT) has issued circular for deduction of tax at source from salaries. CBDT has explained the obligation of employers with regard to deduction of tax at source from salaries under section 192 of the Income-tax Act, 1961 (the Act) for the Financial Year 2021-22 in a comprehensive manner. As per section 192 of the Act, any person responsible for paying any income chargeable under the head 'Salaries' shall deduct income tax on the amount payable at the time of payment. Such tax shall be deducted at the average rate of income tax computed on the basis of the rates in force for the financial year in which the payment is made, on the estimated income of the Assessee under the head of Salary income for that financial year.