

Advance Tax - Tax collected by Govt in Advance

Eg

Tax = 100,000 (Assumed)

Q1	Q2	Q3	Q4
15/6	15/9	15/12	15/3
15%	45%	75%	100%
	+5000	75000	100,000
15000	(15000)	(-) 15000	(-) 15000
	30,000	(-) 30,000	(-) 30,000
		30,000	(-) 30,000
			25,000

What if at the end of FY  
my total Income  $\rightarrow$  15L  
Assumed Tax Liab  $\rightarrow$  1.5 Lakh

₹ 1,00,000 = Advance Tax  
₹ 50,000 = Self-assessment  
Tax.

MIT = 15L  
Tax liability = 1.5L  
 $\rightarrow$  TDS deducted -  
 $\rightarrow$  TCS collected -  
 $\rightarrow$  Advance tax (1L)  
 Tax liab. 50,000  
 $(+)$  Interest  \*  
 Tax liability \_\_\_\_\_

Advance tax liability kab ayga only when tax component  $\geq$  10,000 (Tax Liab.)

- # Salaried people will not give advance Tax as TDS is already deducted w/s 192.
- # Resident senior citizen not having income under "PGBP"
- # Assesee - 44AD/ADA = DD = 15/3 of PY
- # on or by 31/3  $\rightarrow$  also be treated as advance.

\* Mr Amit is earning ₹ 10L from providing consultancy services where TDS applicable is 10%. He earned interest income of ₹ 2L from Bank FD. TDS applicable is 10%. Total advance tax paid during the FY is as follows.

1) 15/6/23	- 12000	Amit filed ROI - 12/Dec/24
2) 15/9/23	- 14000	DD = 31/7, Amt paid - IT - 31/12/23
3) 15/12/23	- Nil	Calculate Int. <del>23</del> A/B/C
4) 15/3/24	- 20000	Delay in filing I Return

Ans →

Computation of Tax liability

PGBP	10,00,000
<u>ITES</u>	<u>200,000</u>
GRTI	12,00,000
(-) VI-A deduct	Nil
NITJ	12,00,000
Tax liability	172,500
(+) HEE	-
Tax	179,100

# Agar humne atleast 90% ka pay kiya hain tax 'toh 234B interest nhi lagega.

(-) Taxes already paid

- TDS (120,000), 59,100 59,400 x 90%
- Advance tax (46,000) = 48,114 pay
- Self Assessment Tax 13,400 kiya hata
- 234B nhi
- ata.

I) Interest u/s 234A - Delay in filing ROI

$$\begin{aligned} \text{Interest} &= \text{Self Assessment Tax} \times 1\% \text{ pm} \times \text{No. of months of Delay} \\ &= 13,400 \times 1\% \times 5 \text{ months} \\ &= \boxed{670} \end{aligned}$$

II) Interest u/s 234B - short pay of Advance tax

$$\begin{aligned} \text{Int.} &= \text{short py of Advance Tax} \times 1\% \text{ pm or part x from 1st April of AY till tax is paid.} \\ &= 13,400 \times 1\% \times 9 \text{ months} \\ &\quad (1/1/24 - 12/12/24) \\ &= \boxed{1206} \end{aligned}$$



Attracted if Actual installment paid is less than amt. required to be paid by him.

Page No.	
Date	

③ sec 234C

Qtr	%	Tax to be paid	Actually paid	shortfall	Interest
1	15%	8910	6000	2910	<u>87.3</u> (2910 × 1% × 3) [1516 - 1519]
2	45%	26730	13000 (6k+7k)	13730	<u>412</u> (13730 × 1% × 3) [1519 - 15112]
3	75%	41550	46000	Nil	<u>Nil</u>
4	100%	59400	46000	13400	<u>134</u> (13400 × 1% × 1)

# Agar humko after TDS 55000 pay karna hai toh par humne advance tax 40,000 pay kiya. toh humne  $55000 \times 90\% = 49500$  pay kiya heta toh sec 234B ka Interest nhe lgta.

Waise hin agar sec 234C mein 1<sup>st</sup> quarter mein agar atleast 13% paid kiya hin toh interest nhe lgta.  
2<sup>nd</sup> quarter mein 36% pay kiya toh interest nhe lgta.