

**MUMBAI PORT TRUST**  
**ESTATE DEPARTMENT**

No.EM/AS-6/F-310/2643

Date : 15th July 2010

To,  
MbPT Lessees / Tenants /Licensees

In partial modification to our Circular No.EM/AS-6/F-310/1144 dated 17.05.2010, it may be noted that in Finance Act, 2010, certain amendments have been carried out in Section 194(I) in respect of conditions for deduction of tax at source. The conditions are applicable from 01.07.2010.

2. As indicated earlier, the TDS applicable for financial year 2010-2011 under Section 194(I) of Income Tax Act 1961, is 10% of the gross amount for the use of land or building, etc. at the time of credit or payment whichever is earlier. However, the limit of the aggregate sum credited or paid during the financial year has been revised to Rs.1,80,000/- w.e.f. 01.07.2010 (Rs.1,20,000/- upto 30.06.2010).

3. It would be the responsibility of the person making the payment of rent/compensation, to deduct income tax at source. In such cases, the net amount should be accompanied by the TDS certificates in Form No.16A failing which the amount received will be treated as part payment.

4. The date on which the net amount is received will be taken as the date of receipt for computation of interest on delayed payments even for the amount of tax deducted. It will be the onus of the lessee / tenant / licensee deducting the income tax at source to remit it in time to the Government treasury. If there is any delay on his part, he would be required to pay penalty or face prosecution under the Act by the Income Tax Authorities. In short, the date of receipt of the net amount will be considered as the date of receipt of the gross amount, only where the TDS Certificate in Form No.16A is received.

5. Interest for delayed payment of bills @18% p.a. will be computed taking the date of receipt of the net amount as the base.

6. All tenants/lessees/licensees deducting TDS are requested to forward the TDS certificates in Form No.16A. It shall be necessary for all tenants / lessees / licencees to mention the correct plot Code No. & Bill No. against nature of payment in the TDS certificate to facilitate proper accounting of such amounts paid by them.

7. The Permanent Account Number of MbPT is AAATM5001D. This may be incorporated in the TDS certificates.

8. Your kind attention is invited to this office circular bearing No.EM/AS-6/F-310/8649 dtd 19.3.2010 and submit your TAN No. at an early date so that the same could be furnished to the Income Tax department.

**Sd/-**

**(Saroj Tahiliani)**  
**ESTATE MANAGER**