

FS-10/1/2022-FS-DOP
Government of India
Ministry of Communications
Department of Posts
(FS Division)

Dak Bhawan, New Delhi -110001

Dated: 26.04.2024

To

All Head(s) of the Circles

Subject-Regarding complaints raised by Sr. Citizen Savings Scheme Account Holders for deduction of TDS in the month of April 2024.

Madam/Sir,

This is regarding TDS deduction from the interest credited on the first working day of April 2024 with respect to Senior Citizen Saving Scheme (SCSS) accounts. Various complaints / references have been received from several SCSS account holders through mails / complaints on deduction of TDS on 03/04/2024.

2. This issue arose due to the increase in the maximum investment limit in SCSS Scheme from Rs. 15 lakh to Rs. 30 lakh w.e.f. 01.04.2023. Circles may be aware that the quarterly interest in respect of the SCSS accounts opened on or after 01.11.2020 is payable after completion of the quarter ending 31st March/30th June/30th September/31st December, on first working day of April/July/October/January, in accordance with the provisions under Rule 5 of SCSS Scheme Rules 2019. Hence, TDS in respect of the account holders whose interest income exceeded the prescribed limit on the first working day of April, was deducted. However, the depositors who desire to submit the forms 15G or 15H to avoid tax deduction did not get any time to submit the forms.

3. Keeping in view of the fact that the depositors did not get any time to submit 15G or 15H, to avoid inconveniences to the Senior Citizens and settle the complaints in this regard, it has been decided by competent authority that.

- i. The TDS deducted on 03.04.2024 may be refunded to SCSS account holders on submission of Form 15G or 15H for the financial year 2024-25.

- ii. To facilitate the refund process by post offices, the HRFTDS (TDS refund) menu in Finacle will be enabled till **30.04.2024**.
4. It is therefore, Circles are requested to circulate the instructions immediately to all concerned for necessary action.
5. Circles should ensure that while refunding the TDS, the aforementioned instructions are scrupulously followed without any violation by the post offices and HRFTDS menu is used only for those cases where TDS was deducted on 03.04.2024 only. If any other TDS is refunded using the said menu, the official(s) concerned shall be responsible.
5. This issues with the approval of Competent Authority

Yours faithfully,

(Devender Kumar Sharma)
Assistant Director(SB-II)

Copy to:

1. GM CEPT, for kind information. It is requested that the HRFTDS menu may be enabled up to the EoD of 30.04.2024 to facilitate the post offices to refund the TDS.
2. IPPB team for kind information please.