

Course Code – COM (H) 226

Lecture 24



Expenses Partly Subject to TDS (Journal Voucher)

On 7th May, 2009, universal Infotech received a bill (vide no. 911) from Sridhar & Co. for Rs. 1,12,360 inclusive of other charges of Rs. 12,360 towards the auditing services provided.

Ledger	Under	Is TDS Applicable	Default Nature of Payment
Auditing Expenses	Indirect Expenses	Yes	Fees for Professional or Technical Services

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

- Type **Auditing Expenses** as the **Ledger Name**
- Select **Indirect Expenses** in the **Under** field
- Select the appropriate **Rounding Method**.
- Set **Is TDS Applicable** to **Yes**
- In **Default Nature of Payment** filed select **Fees for Professional Or Technical Services** from the **List of TDS Nature of Pymt**.

Party Ledger

On 7th May, 2009, universal Infotech received a bill (vide no. 911) from Sridhar & Co. for Rs. 1,12,360 inclusive of other charges of Rs. 12,360 towards the auditing services provided.

Ledger	Under	Is TDS Applicable	Deductee Type
Sridhar & Co.	Sundry Creditors	Yes	Partnership Firm

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

In the **Ledger Creation** screen,

- Type **Sridhar & Co.** as the **Ledger Name**
- Group it under **Sundry Creditors** group
- Set **Maintain Balances bill-by-bill** to **Yes**
- Specify the **Default Credit Period**, if required
- Set **Is TDS Deductable** to **Yes**
- In the **Deductee Type** field select **Partnership Firm** from the **List of Deductee Types**
- Enter the **Mailing Details**.
- Under **Tax Information** enter the **PAN/IT No.** (PAN/IT No. is mandatory for e-TDS). **PAN** is a **10 Digit Alphanumeric Number** allotted by the **Income Tax Department**.

Tax Ledger

On 7th May, 2009, universal Infotech received a bill (vide no. 911) from Sridhar & Co. for Rs. 1,12,360 inclusive of other charges of Rs. 12,360 towards the auditing services provided.

Ledger	Under	Type of Duty/Tax	Nature of Payment	Inventory Values are Affected
TDS – Professional or Technical Services	Duties & Taxes	TDS	Fees for Professional or Technical Services	No

Create Tax Ledger

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

In the **Ledger Creation** screen,

- Type **TDS - Professional or Technical Services** as the **Ledger Name**
- Group it under **Duties & Taxes** group
- Select **TDS** as the **Type of Duty/Tax**
- Select **Fees for Professional or Technical Services** as the **Nature of Payment**.
- Set **Inventory values are affected** to **No**

2. Record the Transaction in Journal Voucher

Set Up:

In **F12: Configure (Journal configuration)**

- Set **Allow Alteration of Nature of Payment in Expenses** to **Yes**

Go to **Gateway of Tally > Accounting Vouchers > Press F7: Journal**

1. Press **F2** and change the date to **07-05-2009**

2. Select **Auditing Expenses** in the **Debit** field and press **Enter**

3. Enter **1,12,360** in the **Amount** field and press **Enter**

4. The **TDS Nature of Payment Details** screen displays the **Nature of Payment** and the **Assessable Value** of the expenditure.

- Press **Enter** to accept **Fees for Professional or Technical Services** as Nature of Payment.

The amount in the **Assessable Value** is defaulted to Rs. 1,12,360. Enter **Rs.1,00,000** in the Assessable Value and press Enter.

In the **Nature of Payment** field select **Not applicable** from the **List of TDS Nature of Payment** (balance amount of Rs 12,360 gets allocated automatically in the Assessable value field)

2. Record the Transaction in Journal Voucher

5. Select **Sridhar & Co.** in the **Credit** field and press **Enter**.

6. In the **TDS Details** screen provide the following details

Type of Ref: Select **New Ref** from the method of Adjustment. Tally.ERP 9 displays Two **Methods of Adj** viz., Agst Ref and New Ref. **New Ref** is selected for new Financial Transactions Where as, **Agst Ref** is selected to set off payment against the previously entered invoice.

Name: This field display the **Reference Number** for the TDS Deducted. The default Reference Number displayed, is a combination of abbreviation of Journal, Voucher Number and Line Number. **Example: Jrnl/2-1** which can be changed by the user. TDS payments are tracked with these Reference Numbers.

Nature of Payment: Select **Not Applicable** in Nature of Payment field. Assessable amount and Payment amount are defaulted as entered in **Expense Allocation** screen.

2. Record the Transaction in Journal Voucher

- **Type of Ref:** Select **New Ref** from the method of Adjustment.
- **Name:** This field displays the **Reference Number** for the TDS Deducted. The default Reference Number displayed, is a combination of abbreviation of Journal, Voucher Number and Line Number. **Example: Jrnl/2-2** which can be changed by the user. TDS payments are tracked with these Reference Numbers.
- **Nature of Payment:** Select **Fees for Professional or Technical Services** in Nature of Payment field. Assessable amount and Payment amount are defaulted as entered in **Expense Allocation** screen.
- **TDS Duty Ledger:** Select **TDS – Professional Or technical Services** from the list of **TDS Duty Ledgers**. List of **TDS Duty Ledgers** displays, ledgers created with specific nature of payment as well as the ledger created with the option **Any**.
- **Assessable Amount:** Tally.ERP 9 defaults the amount as specified in the TDS Nature of Payment Details against the expenses ledger and skips the field.
- **Deduct now:** This field will set to **Yes** or **No**. depending on the tax deduction. Set this field to **Yes** to deduct the Tax in the same voucher.

2. Record the Transaction in Journal Voucher

- **TDS Amount:** This field displays the Tax amount deducted at source
- **Payable Amount:** This field displays the amount (after TDS) payable to the Party.

7. Press **Enter** to accept TDS Details

8. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the Party's **Amount (Credit)** field. Press **Enter** to view Bill-wise Details screen.

9. In **Bill-wise Details** screen, enter the details.

10. Enter and save.

Thank You