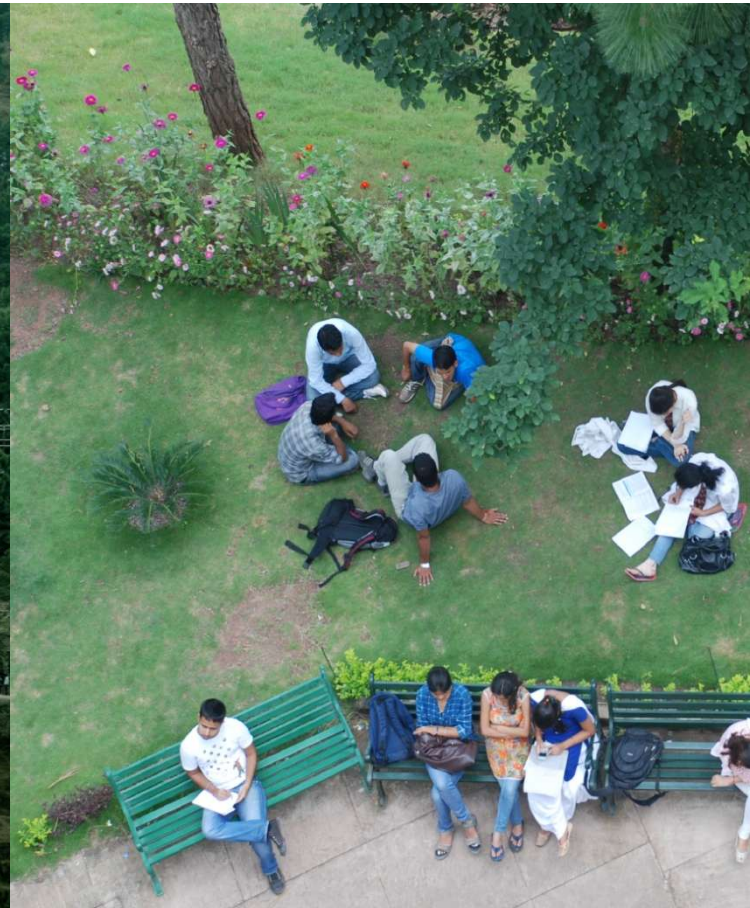# Course Code – COM (H) 226

Lecture 29

Introduction to TCS

Tax Collected at Source (TCS) refers to the collection of tax at source by the seller from the buyer (collectee/payee) on trading of the goods specified u/s 206C of the Income Tax Act, 1961. It is collected when accrued or paid, whichever is earlier.

Example:

*If purchase value of goods is **Rs.10,000/-, the buyer will pay an amount of Rs.10,000/- + X (X being the value of TCS as prescribed under Income Tax Act, 1961) to the seller. The seller will deposit the Tax Collected at Source (TCS) at any of the designated branches of the authorised banks.***

Introduction to TCS

TCS Features in Tally.ERP 9

Tally.ERP 9's simple yet powerful TCS feature enables you to record transactions related to Tax Collected at Source with ease. The TCS functionality in Tally.ERP 9 has the following features:

1. It is simple and user-friendly

2. It is quick and easy to set up and use

3. Tracks bill-wise (bill-by-bill) details, automatically calculates TCS payable and adjusts any advance tax paid and also provides flexibility to make adjustments later

4. It facilitates automatic computation of TCS payable to Government

5. Generates TCS Challan and other related reports

6. Allows challan management and printing to ensure prompt and accurate filing of tax

7. Generates TCS certificates in prescribed formats

8. Generates statutory quarterly/annual e-TCS returns

9. The auto helper feature prevents erroneous data inputs and expedites voucher entry

Thank You