

Bihar Education Project Council
Beltron Bhawan, Shastrinagar
Patna-800023



बिहार शिक्षा परियोजना परिषद्
बेल्ट्रॉन भवन, शास्त्रीनगर
पटना-८०००२३

Letter No.: MIS/Accts/...4670

Dated: 27/08/2008

From:

U.K.Verma
Chief Accounts Officer

To,

DSE-cum-DPCs
All Districts

Sub: Clarification for deduction of Income Tax at Source on account of operation of Computer Aided Learning under BOOT Model.

Sir/madam,

With reference to aforesaid subject, it is to clarify that under BOOT (Build, Own, Operate, and Transfer) model, the nature of services as a whole is covered under "Other Auxiliary Business Services" and therefore, **Income Tax Deduction at Source shall be made under section 194J of the Income Tax Act, 1961.** The amount of TDS, so required to be deducted shall be calculated as follows:-

1	No deduction of TDS	If total payment in a financial year is likely not to exceed Rs. 20,000/-.
2	Rate of TDS	@10% of the total payable amount.
3	Surcharge	@10% of the tax.
4	Educational Cess	@3% of the Tax & Surcharge.
5	Total lump-sum deduction	@11.33% of the payable amount.

You are requested to please take action accordingly.

Thanking you,

Yours Sincerely,
Sd/-

(U.K.Verma)
Chief Accounts Officer

Memo No.: 4670

Dated: 27-8-08

CC: Programme Officer (MIS), BSPP for information and needful.

(U.K.Verma)
Chief Accounts Officer



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