

Declaration about the applicability of amended threshold under section 194N as per Finance Bill 2023 for the financial year 2024-25 for registered co-operative societies.

Section 194N of the Income Tax Act, 1961 (as amended) requires every banking company, to whom the Banking Regulation Act, 1949 applies, to deduct taxes at source at the rate of 2% on payment of any sum, in cash exceeding **INR 3 crore in case of Co-operative societies registered under Co-operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any State for the registration of co-operative societies.**

The provisions also require that in case the recipient Co-operative society has not filed its return of income for all the three assessment years relevant to the three previous years, for which the time limit of filing return of income has expired*, immediately preceding the previous year in which the payment of the sum is made to it, the taxes required to be deducted by the bank shall be:

- (i) **2% where the amount or aggregate of amounts being withdrawn in cash is between INR 20 lakh and INR 3 crore and**
- (ii) **5% where the amount or aggregate of amounts being withdrawn in cash exceeds INR 3 crore**

The tax will be deducted on the amount of cash withdrawal made during financial year **2024-25** in excess of the applicable limits as stated above.

We have read and understood the above guidelines issued by the Income tax department.

We confirm that *(Please tick as applicable)*

We, are holding banking relationship with IDFC FIRST Bank in the name <name of co-operative society>, having UCIC <mention UCIC number> and PAN <mention PAN of the co-operative society>

We are registered under Co-operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any State for the registration of co-operative societies.

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We are eligible for claiming the amended threshold of INR 3 crore under section 194N

We are attaching the copy of our registration certificate along with other relevant documents in support of the above declaration.

Should there be any change in the above information provided, will advise the IDFC FIRST Bank promptly.

Name of Authorized Signatory:

Signature of Authorized Signatory:

Place:

Date: