



**CENTRAL WAREHOUSING CORPORATION
EMPLOYEES PROVIDENT FUND**



No. CWC/FD-CPF/FP-Amnd/17-18

17th November, 2017

CIRCULAR No. 7

Subject = Tax Deduction on payment of CPF accumulated balance under Regulation 15 of CWC EPF Regulations, 1962.


1. Consequent upon amendment to Regulation 15 of the Central Warehousing Corporation Employees Provident Fund Regulations, 1962, notified vide Gazette Notification dated 12.05.2017, the sum standing to the credit of a subscriber shall become payable on his leaving of service from the Corporation even when the service period of the subscriber is less than Five years. As such, employer's contribution is also payable in addition to his own share in case the subscriber voluntarily leaves employment within Five years of his entry into the service of the Corporation subject to deduction of Tax at Source as per provisions of Rule 8 & 9 of the Fourth Schedule of the Income Tax Act, 1961.

2 As per Rule 8 (i) of Fourth Schedule, in case the employee has rendered continuous service with his employer for a period of Five Years or more, the accumulated balance due and becoming payable, shall be excluded from the computation of his total income.

3 Under Rule 9(1) of Fourth Schedule, where the accumulated balance due to an employee is included in his total income owing to the provisions of Rule 8 (i) not being applicable, the DDO shall calculate the total of all taxes which would have been payable by the employee in respect of his total income for each of the years concerned if the fund had not been Recognized Provident Fund, and the amount by which such total exceeds the total of all taxes paid by such employee for such years, that shall be payable in addition to any other tax liable for the previous year in which the accumulated balance due to him become payable.

4. As per Rule 10, the TDS on such payments shall be made as if the accumulated balance were income chargeable under the head "Salaries".

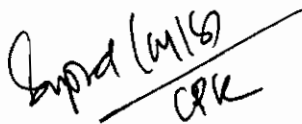
5. In all such cases, CPF Section, Corporate Office, New Delhi, will transfer the total amount standing to the credit of such employee on account of CPF to the concerned Regional Offices/Corporate Office and the concerned Regional Office/Corporate Office shall release the dues to the ex-employee after deduction of tax at source under intimation to CPF Section at Corporate Office, New Delhi.
6. This issues with the approval of General Manager (Finance).


(Tarun Kumar Bansal)
Sr.Asstt. Manager (CPF)

Distribution:-

1. All HODs, CWC, Corporate Office, New Delhi
2. All the Regional Managers
3. All Accounts Officers at all ROs incharge of Accounts Section/ Sr. Asstt. Manager (SG) at CO, to be scrupulously followed.
4. PPS to MD/SAM(G) to Director (Pers.)/PPS to Director (MCP)/PPS to GGM (Fin.), CWC, CO, New Delhi.
5. GM (Systems), CWC, Corporate Office for uploading the Circular on CWC Website.
6. Manager (Rajbhasha), with a request to arrange for Hindi version of the Circular.


20/11/17


CPK

Corporate Office: Warehousing Bhawan, 4/1, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110 016. EPBX:011-26566107 Ext. 273, Ph. 99111 04748. E Mail: tkbansal@cewacor.nic.in