

**INDIAN INSTITUTE OF TECHNOLOGY KANPUR  
FINANCE & ACCOUNTS SECTION**

**OFFICE ORDER**

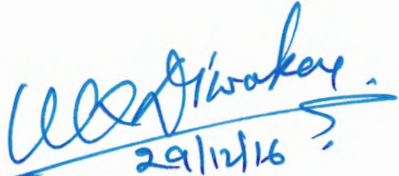
No. IITK/ACCT/ITAX/2016-17

Date: 29 Dec 2016

**Subject: Payment of and Income Tax Deduction at Source (TDS) on Salary, Honorarium etc.**

Several income tax related issues have come to Institute's notice due to the current decentralized arrangement of payment of honorarium to Institute Main Account (Account I) employees.

2. After detailed discussion on the issue and to prevent such issues in the future, it has been decided to have a centralised system (through Finance & Accounts Section only) for disbursement of all salary and honorarium to Institute Main Account (Account-I) employees. The disbursing units will periodically prepare a comprehensive list of employees, who have been sanctioned honorarium, clearly mentioning the amount of honorarium sanctioned and their PF no. and forward the list along with a consolidated cheque of gross amount to DR (F&A) for further action. No payment of any honorarium to any Institute Main Account (Account I) employee shall henceforth be made directly by any other disbursing unit (except the Institute Main Account) under the new arrangement. It shall be the responsibility of payroll unit to include the honorarium amount in concerned employee's upcoming salary and apply TDS accordingly on this additional income. All efforts shall be made by payroll unit to include honorarium sanction letters received up to 22<sup>nd</sup> of a month in the salary of the same month. Sanctions received after 22<sup>nd</sup> shall be included in salary of the following month.
3. No honorarium shall be paid in the month of March unless concerned employees are willing to have highest TDS rate applied on the honorarium sanctioned for them, as the annual salary cycle for Income Tax computation purposes ends with the disbursement of February pay and allowances.
4. Any request for payment of honorarium outside of salary cycle shall require Deputy Director's approval.
5. DA arrears shall henceforth be paid along with the salary of the month.
6. This is issued with the approval of the Director.

  
29/12/16  
(M K Diwakar)  
Dy. Registrar (F&A)

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