

# Understanding Form 16

One of the most important income tax form is Form 16. It contain most of the information you need to prepare your income tax return in India. Form 16 has two parts Part A and Part B.

## Form 16 Part A has

- Name and address of the employer
- TAN & PAN of employer
- PAN of the employee
- Summary of tax deducted & deposited quarterly, which is certified by the employer
- Assessment Year
- Period of employment with the employer
- Form 16 Part A must be generated and downloaded through Traces portal
- Part A of the Form 16 also has a unique TDS Certificate Number.

## Form 16 Part B has

- Detailed breakup of salary paid
- Deductions allowed under the income tax act (under chapter VIA)
- Relief under section 89
- If you have held more than one job during the year, you'll have more than one Form 16.
- Part B is prepared by the employer manually and issued along with Part A. (Are you an employer? If you are an employer, file your TDS Return here)

## **What is Form 26AS?** *(How to check or verify if TDS deductions are deposited with IT dept?)*

TDS is deducted on Salary and other income, and deposited with Income Tax Department. So, how to check if these TDS amounts are actually deposited with the department or not?

Form-26AS gives you all the details of Tax credits. **It is a form which indicates that the tax that has been deducted has also been deposited with the Govt.**

The Form 26AS contains details of tax deducted on behalf of the taxpayer (*you*) by deductors (*employer, bank etc.*). So, TDS deductions that are given in Form 16 / Form 16 A can be cross checked using Form 26AS. The TDS amounts reflected in Form 26AS and Form 16/16A should always be the same.

*(If there are discrepancies, the IT dept will consider the TDS figures as per Form 26AS only. You need to contact the TDS deductor to rectify any errors. **For example**– If your employer has updated your PAN wrongly, TDS deduction will not get reflected in your Form 26AS. In this case, you need to get this error rectified by your employer.)*

To access your Form 26 AS, you need to visit Income Tax website and click on [View Form 26AS](#). You need to provide your login credentials to access this form. You can then download relevant financial year's form-26AS statement. *(Form 26AS is provided by TRACES – TDS Reconciliation Analysis and Correction Enabling System)*