



कार्यालय रक्षा लेखा नियंत्रक :

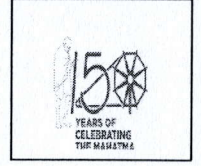
OFFICE OF THE CONTROLLER OF DEFENCE ACCOUNTS

नं. 1 स्टाफ रोड, सिकंदराबाद -500 009

NO.1, STAFF ROAD, SECUNDERABAD - 500 009.

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A/II/13027/ROB/2020-21

Dt 22.03.2021

To

ALL SECTIONS IN MAIN OFFICE

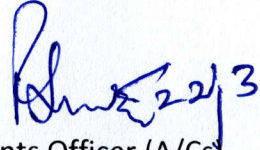
ALL SUB-OFFICES

Sub: Annual closing of accounts for the year 2020-21 .

The compilations up-to March 2021 in respect of the following Major Head/Code Head may please reviewed and it may please be ensured that Health and Education cess be booked at 4% as per HQ letter dated 17.4.2020 (copy enclosed) and rectification may be carried out in-case of less booking:

Sl No	Major Head	Code Head
1	0020—Corporation Tax	002/07 Health and Education Cess
2	0021—Tax on incomes other than corporation Tax	003/11 Health and Education Cess

This may please be accorded priority.


Accounts Officer (A/Cs)

401 ACCEI

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Office of the CGDA

Ulan Batar Road, Delhi Cantt-110010.

No.A/I/13311/ACA/2019-20

Dated:- 17-04-2020

To

All PCsDA/CsDA

Subject :- Annual closing of Accounts for the year 2019-20

This HQrs office letter of even No dated 07-04-2020 under which check list for compilation of March (Pre)/Supplementary Accounts as received from CGA, Ministry of Finance was forwarded, may be referred to.

As per serial item 4 of the Check list, Health and Education Cess has to be levied at 4% of the Income Tax (including Surcharge) in lieu of Primary Education Cess and Secondary & Higher Education Cess.

However the position as revealed from the Compilation upto March(Prel) 2020 is as under;

Major Head	Code heads	Amount
0020-Corporation Tax		
	002/00-Deduction from Contractors ...	Rs.82425.21 lakhs
	002/03- Surcharge	Rs.9.67 lakhs
A) Total		82434.80 Lakhs
B)	002/07-Health & Education Cess	Rs.54.41 lakhs
C) Ration of (B) w.r.t (A)		0.06%
0021- Tax on incomes other than corporation Tax		
	003/02-Collections of tax on union emoluments...	Rs.597886.50 lakhs
	003/00 deductions from payments to Contractors	Rs.53861.39 lakhs
	003/04-Deduction-surcharge	Rs.29.56 lakhs
D) Total		Rs.651777.45 lakhs
E)	003/11-Health & Education Cess	Rs.24075.04 lakhs
F) Ration of (E) w.r.t (D)		3.69%

ended to Accounts sec on 17.04.2020.
Circular sent to All Section / Office under M.O.
may be filed

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From the details given above it is clear that Health & Education Cess is 3.69% in case of Major Head 0021 whereas it is only 0.06% in case of Major Head 0020. As compilation of Health and Education Cess is lower than the prescribed percentage of 4% of the Income Tax (including Surcharge), it is, therefore requested that booking under the code heads 002/07 and 003/11 on this account may be reviewed and necessary rectification action may be taken in Supplementary-I accounts positively to avoid the need for such rectification through J.Es at later stage.

CDA(CSD) and AO DAD MoD(Civil) may also review the bookings under their respective heads and ensure compilation on account of Health & Education Cess 4% of Income Tax(Including surcharge)

This may be accorded top priority

Addl.CGDA(A&B) has seen.

Sr.Dy.CGDA(A&B)