

PAN Cards to Become Inoperative

From, If No..... CBDT

The Central Board of Direct Taxes (CBDT) has informed the taxpayers through the official twitter handle of the income tax portal that the Permanent Account Number (PAN) cards that not linked with aadhaar card would be inoperative with effect from 1st April, 2023.

“As per Income tax Act, 1961, the last date for linking PAN with Aadhaar is 31.3.2023, for all PAN holders who do not fall under the exempt category, failing which the unlinked PAN shall become inoperative. Don’t delay, link today!,” the income tax department said.

“As per Income tax Act, 1961, the last date for linking PAN with Aadhaar is 31.3.2023, for all PAN holders who do not fall under the exempt category, failing which the unlinked PAN shall become inoperative. Don’t delay, link today!,” the income tax department said.

“All PAN holders, who do not come under the exempt category as per Notification No. 37/2017 dated 17th May 2017 and have not linked their aadhaar with PAN yet, are requested to do so immediately. PAN can be linked with aadhaar on www.incometax.gov.in after paying a fee of Rs. 1,000.”

Section 139AA of the Income Tax Act provides that every person who has been allotted a permanent account number (PAN) as of the 1st day of July 2017, and who is eligible to obtain an Aadhaar number, shall intimate his Aadhaar number in the prescribed form and manner. In other words, such persons have to mandatorily link their Aadhaar and PAN before the prescribed date (Presently, 31.03.2022 without fee payment and 31.03.2023 with prescribed fee payment.)”

The Budget 2022 stated that the taxpayers who did not link their PAN Card with the Aadhaar may face a penalty of Rs. 1000 from 1st July. Earlier, till June 30, the charge was Rs. 500.

So when an individual links their PAN and Aadhaar, they first have to pay the penalty and request to link PAN aadhaar once the payment reflects in the e-filing site. On May 2022, the CBDT has issued a notification on May 10, 2022,



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According to the notification, a person must obtain and quote PAN when he enters into any of the following three transactions: High-value cash deposit: Cash deposit (or deposits) aggregating to Rs 20 lakh or more in a financial year, in one or more accounts of a person, with a banking company, a co-operative bank, or a post office will require PAN to be furnished.