



***Central Board of Direct Taxes vide circular dated June 22, 2022, has issued Guidelines for removal of difficulties under sub-section (6) of section 194S of the Income-tax Act, 1961***

- CBDT vide circular dated June 22, 2022, has issued Guidelines for removal of difficulties under sub-section (6) of section 194S of the Income-tax Act, 1961.
- The Finance Act 2022 inserted a new section 194S in the Income-tax Act, 1961 (hereinafter referred to as “the Act”) with effect from 1st July 2022.
- The new section mandates a person, who is responsible for paying to any resident any sum by way of consideration for transfer of a virtual digital asset (VDA), to deduct an amount equal to 1% of such sum as income tax thereon. The tax deduction is required to be made at the time of credit of such sum to the account of the resident or at the time of payment, whichever is earlier.
- The circular is herein attached.

[Click Here](#)