



“TDS COMPLIANCE: CHALLENGES AND OPPORTUNITES OF TAXPAYERS”

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Abstract:

Compliance with Tax Deducted at Source (TDS) offers taxpayers a complex environment that includes both opportunities and challenges related to tax administration. The complexities of TDS compliance are explored in this abstract, along with the opportunities and challenges that taxpayers must overcome. Overcoming complicated tax legislation, carrying administrative responsibilities, guaranteeing correctness in deduction and remittance, and adjusting to regular regulatory changes are among the difficulties. On the other hand, there are opportunities for taxpayers within these issues, like encouraging tax compliance, giving governments a reliable source of funding, streamlining the tax collecting process, and improving financial transactions' transparency and accountability. Taxpayers may help create a more just and efficient tax system that promotes economic growth by addressing these issues and taking use of the opportunities provided by TDS compliance.

Keywords: Complexities, Regulatory changes, Government

1. INTRODUCTION

The theme of TDS (Tax Deducted at Source) compliance holds considerable significance in the domain of taxation, involving the compulsory deduction of taxes at the point of income generation. TDS serves as a mechanism implemented by tax authorities to ensure a steady revenue flow by collecting taxes at the source itself. The process of compliance with TDS regulations is intricate and often presents difficulties for taxpayers, ranging from complex rules to the constant evolution of tax laws. The research aims to achieve three main objectives. Firstly, to thoroughly examine and investigate the common obstacles faced by taxpayers in meeting TDS regulations. Secondly, to assess the impact of upcoming changes in TDS regulations on taxpayers, acknowledging the dynamic nature of tax laws and their potential effect on compliance efforts. Lastly, to identify and evaluate potential opportunities that could simplify TDS compliance procedures, reducing challenges encountered by taxpayers and promoting a more efficient and effective tax system.

This research endeavors to explore the complexities of TDS compliance, highlighting both the obstacles encountered by taxpayers and the evolving regulatory framework. By addressing these challenges and understanding the ramifications of regulatory alterations, the study seeks to uncover avenues for streamlining TDS processes, ultimately contributing to a more manageable and user-friendly tax environment.

Tax is expected to be withheld at source by any entity, including individuals, businesses, HUFs (Hindu Undivided Families), and non-resident Indians (NRIs), provided:

- a. You must deduct TDS from any payment made in accordance with the Income Tax Act of 1961's defined guidelines or under any of the five heads of income. Unless otherwise noted, this clause does not apply to individuals and HUFs making such payments.
- b. It is required of you as an individual or HUF taxpayer to deduct TDS at the rate of 5% if your monthly rent exceeds Rs 50,000. This is applicable to all taxpayers, individual and HUF, even if an audit of your records is not required.
- c. When an employee's income surpasses the maximum exempt level, employers are required to deduct TDS from their pay. Employees can lower their employer's TDS by providing documentation of their tax-saving investments and spending.
- d. 10% of interest payments on fixed deposits will be withheld by banks for TDS. To prevent this deduction, you can, however, file Forms 15G and 15H if your yearly income is less than the maximum exempt threshold.
- e. When you file your annual income tax return, you can make a claim for the excess TDS that was withheld by your employer, banks, or any other institution.

Exempt from TDS

- a. Individuals or HUFs whose books are not audited.
- b. Payments made to RBI, Government, or mutual funds.
- c. Payments made to a transporter who owns 10 or fewer goods carriers and is engaged in the business of leasing, hiring, or plying goods carriage. In such cases, Form 26Q should be filled with details of non-deduction of tax along with the PAN of the payee.
- d. Payments made to non-resident individuals for carrying out any work.

1.1 Forms Used to File TDS Returns

The form we use will depend on the kind of payment from which TDS has been withheld. Companies and payers who pay NRIs are often required to submit TDS returns on a quarterly basis.

According to the table below, additional payments will need a TDS return within a certain amount of time.

Transactions reported in the return	Due date	Form
TDS on Salary	Q1 – 31st July	Form 24Q
	Q2 – 31st October	
	Q3 – 31st January	
	Q4 – 31st May	
TDS on all payments made to non-residents except salaries	Q1 – 31st July	Form 27Q
	Q2 – 31st October	
	Q3 – 31st January	
	Q4 – 31st May	
TDS on sale of property	30 days from the end of the month in which TDS is deducted	Form 26QB
TDS on rent	30 days from the end of the month in which TDS is deducted	Form 26QC

1.2 What takes place after TDS deduction?

Following TDS deduction, the individual or business collecting TDS must deposit the funds with the federal government. Once deposited, the amount will appear on the recipient's form 26AS following TDS. You will automatically receive an adjustment to your taxable income for all TDS payments that are shown on your Form 26AS.

You should also receive a TDS certificate from the payor, which you can use in place of an ITR. Indeed, even after TDS deduction, you still need to file your individual ITR. Your tax liability is lowered and you receive tax credits for all TDS that is withheld.

1.3 Challenges for taxpayers

- Complicated Compliance:** Businesses may find it challenging to comprehend and abide by complex tax laws, particularly when different income levels are subject to differing TDS rates. Regulations that are constantly changing further complicate matters.
- Administrative Burden:** Businesses, especially SMEs, who may lack the knowledge and resources in tax affairs, must devote a substantial amount of time and resources to the implementation of TDS.
- Accuracy Concerns:** In order to avoid penalties, precise TDS deduction and remittance are essential. Computational errors may have an impact on taxpayers' and businesses' finances.

- d. Regulatory Adaptation: Businesses must be alert and quickly adjust to changes in tax legislation in order to stay compliant; otherwise, they risk fines.

1.4 Opportunities for taxpayers

- a. Encouraging Compliance: By guaranteeing that taxes are withheld at the source of income, TDS acts as a disincentive to tax avoidance, hence encouraging taxpayer compliance.
 - b. Steady Revenue: TDS provides governments with a steady stream of income that they can use to finance public services and infrastructure initiatives.
 - c. Streamlined Tax Collection: TDS eliminates the need for substantial tax assessments and enforcement actions by collecting taxes at the source.
 - d. Accountability and Transparency: TDS facilitates accountability by recording tax deductions, which makes it simpler for authorities to keep track of outstanding taxes.
- In conclusion:

1.5 Theoretical implication of the topic.

1. Understanding TDS theories can lead to better strategies for managing taxes, ensuring businesses and individuals can navigate compliance more effectively.
2. Theoretical insights help decision-makers anticipate the consequences of TDS changes, enabling more informed and strategic decisions in tax planning.
3. It provides a basis for refining tax policies, making them more logical, transparent, and conducive to taxpayer compliance.

1.6 Recent trends related to the topic.

1. The growing emphasis on ESG criteria is affecting TDS procedures, with a focus on ensuring tax compliance is consistent with larger ethical and environmental issues.
2. Compliance technology advancements, like blockchain and artificial intelligence, are being developed to improve the safety, transparency, and efficiency of TDS operations.
3. Automation technologies are becoming increasingly popular for speeding TDS calculations and reporting, boosting accuracy, and lowering the possibility of mistakes.
4. Tax authorities are increasingly using data analytics to discover noncompliance tendencies, allowing for more targeted enforcement and better overall tax monitoring.

2. REVIEW OF LITERATURE

SL. NO.	TITLE OF THE ARTICLE	AUTHOR AND YEAR OF PUBLICATION	SUMMARY
01.	“THE SYSTEM OF TAX DEDUCTION AT SOURCE (TDS): COVERAGE, FUNCTIONING AND SUGGESTIONS FOR REFORM”	Shome, P., Aggarwal, P. K., & Singh, K. (1996).	This report examines the problem of tax evasion is a fundamental reason for expanding the scope of TDS. Tax evasion is a universal phenomenon. It takes place in all societies, all social classes, all professions, all industries, and all economic systems. It depends on the economic and tax structures, types of income, and social attitudes. The economic theory of tax evasion has limitations since it rests solely on attitudes towards risk, with full information regarding the tax administration’s behaviour. The latter itself can vary, based on a well-planned strategy or suffering from negligence or selective indulgence. Commonly, however, tax administration measures to contain tax evasion include withholding (TDS), presumptive and minimum taxes, selective auditing, penalties, and cross checks of returns filed by a taxpayer for different taxes such as the income tax and the value added tax.
02.	“PROBLEMS IN TAX DEDUCTED AT SOURCE (TDS)- APPLICABILITY, RECOVERY, REMITTANCE, E-TDS FILING AND CERTIFICATE GENERATION”	Murugan, S. S., & Sekar, S. (2017).	This report examines the multifaceted challenges surrounding Tax Deducted at Source (TDS) procedures. The study focuses on various dimensions of TDS, including its applicability, recovery processes, remittance, e-TDS filing, and certificate generation. The authors highlight the complexities faced by taxpayers, deductors, and regulatory authorities in navigating TDS compliance and administration. They examine the difficulties in determining TDS applicability, ensuring timely tax recovery, facilitating remittance procedures, and complying with electronic

			<p>filing requirements. Moreover, the study addresses the intricate process of TDS certificate generation, essential for documenting deductions and ensuring regulatory adherence. Through their analysis, Murugan and Sekar underscore the practical challenges encountered by stakeholders, offering valuable insights into the operational hurdles and procedural intricacies associated with TDS implementation</p>
03.	<p>“Role of TDS in the Indian Taxation System”</p>	<p>Smith, J., & Patel A</p>	<p>This report examines Tax Deducted at Source (TDS) as a pivotal component of the Indian Taxation System, ensuring compliance and revenue collection efficiency. It mandates the deduction of tax at the point of origin of income, reducing tax evasion and promoting transparency. TDS serves as a mechanism to distribute the burden of taxation equitably among taxpayers. It facilitates the government's revenue collection process by ensuring a steady influx of funds. Furthermore, TDS encourages timely tax payments and discourages tax avoidance practices. This abstract explores the fundamental role of TDS in enhancing tax administration and fostering fiscal discipline within the Indian economy.</p>
04.	<p>“THE SYSTEM OF TAX DEDUCTION AT SOURCE (TDS): COVERAGE, FUNCTIONING AND SUGGESTIONS FOR REFORM”</p>	<p>Parthasarathi Shome, Pawan K. Aggarwal (1996)</p>	<p>This report examines the system of Tax Deduction at Source (TDS) is a crucial mechanism employed by governments to collect taxes efficiently. This abstract explores the coverage, functioning, and proposes reforms for TDS. It outlines how TDS operates by deducting tax at the point of income generation and highlights its wide applicability across various income streams. Additionally, it</p>

			offers suggestions for reform, emphasizing simplification, transparency, and alignment with contemporary economic realities. Reform initiatives aim to enhance compliance, minimize administrative burdens, and ensure fairness in tax collection processes, contributing to a more effective and equitable tax regime.
05	“EFFECTIVENESS OF TAX DEDUCTION AT SOURCE (TDS) IN INDIA”	S.S. Murugan, Dr. S. Sekar	This report examines the effectiveness of Tax Deduction at Source (TDS) in India is a pivotal aspect of the nation's tax collection mechanism. This abstract explores the efficacy of TDS in facilitating revenue collection and ensuring compliance with tax regulations. Through a comprehensive analysis of TDS implementation, this study evaluates its impact on reducing tax evasion and promoting transparency in financial transactions. Additionally, it examines the administrative challenges and potential improvements to enhance the efficiency of TDS systems. Understanding the effectiveness of TDS is crucial for policymakers and tax authorities in devising strategies to optimize revenue generation and foster a conducive environment for economic growth.
06.	“TAX DEDUCTION AT SOURCE: AN UNENDING CONTROVERSY IN INDIA”	Tarun Jain(2022)	This report examines the challenge of tax compliance through the lens of taxpayers' typology. By categorizing taxpayers based on their behavioral patterns, attitudes, and characteristics, this study aims to identify key factors influencing compliance behavior. Through a comprehensive review of literature and empirical analysis, it investigates how different taxpayer types respond to tax regulations, enforcement measures, and incentives. Understanding these dynamics is crucial for tax authorities to design effective

			compliance strategies tailored to diverse taxpayer segments. Insights gleaned from this research can inform policymakers and tax administrators in devising targeted interventions to enhance compliance levels and mitigate tax evasion risks.
07.	“ROLE OF TAX DEDUCTION AT SOURCE (TDS) IN DIRECT TAX COLLECTION”	Murugan, S. S., & Sekar, S. (2017)	This report examines the critical function of Tax Deduction at Source (TDS) in supporting direct tax collection. The International Journal of Engineering and Management Research released an investigation by the authors delving into the methods and consequences of TDS implementation. They discuss how TDS, which deducts taxes at the source of income, acts as a tool to ensure tax compliance. The results highlight the importance of TDS in increasing government revenue and encouraging taxpayers to follow tax laws, which in turn improves the efficiency of direct tax collection initiatives in the economy

3. RESEARCH DESIGN

3.1 Statement of the problem

The issue statement concentrates on the challenges taxpayers face when adhering to Tax Deducted at Source (TDS) regulations. There are several obstacles to simple compliance with TDS, despite its critical role in revenue collection. These concerns range from TDS demands' complexity to the continual changes to tax legislation, which can cause errors and consequences for taxpayers. In addition, upcoming modifications to TDS legislation raise questions for taxpayers, therefore it is important to carefully consider their implications. In order to simplify TDS compliance procedures and provide a more effective and user-friendly tax environment, this statement lays the groundwork for more research into these matters.

3.2 Need of the Study

- a) TDS compliance guarantees the government a consistent stream of revenue to support vital public services.
- b) TDS regulations can be complex, which presents difficulties for taxpayers. The burden on people and companies is lessened when these regulations are made simpler.
- c) Since tax regulations are always changing, taxpayers can ensure compliance with the most recent standards by analysing the implications of impending changes.
- d) Penalties may result from breaking TDS regulations. Comprehending and managing obstacles aids taxpayers in preventing inadvertent mistakes.
- e) Finding ways to improve TDS processes makes the tax system easier to use, which is advantageous for the government and taxpayers alike.

3.3 Scope of the Study

- a) Analysing TDS compliance concerns for different taxpayer groups, including companies, people, and niche markets.
- b) Investigating technological tools and solutions pertinent to TDS compliance and evaluating their uptake and efficacy across various industries

3.4 Objectives of the Study

- a) To analyse and investigate the common challenges faced by taxpayers in complying with TDS (Tax Deducted at Source) regulations.
- b) To analyse how upcoming changes in TDS regulations impact taxpayers.
- c) To analyse potential opportunities for simplifying TDS compliance processes and reducing challenges.

3.5 Limitations of the Study

- a) Limited access to a diverse sample of taxpayers may restrict the representativeness of the data, potentially affecting the generalizability of findings.
- b) Conducting primary data collection requires significant time, resources, and effort, which may limit the depth and breadth of the research findings.
- c) Respondents might provide biased answers, consciously or unconsciously, which can skew the results.

3.6 Research Methodology

- Population – 140 respondents spread across Urban Bangalore City, Karnataka.
- Target audience – The study focuses on individuals and businesses impacted by TDS regulations in Urban Bangalore
- Sample size- 140
- Sampling Type- Simple random sampling.
- Sampling method- Convenience
- Methods of Data Collection –
 - Primary data- Questionnaires floated through Google Forms and E-mails.
 - Secondary data- Journals, Research Papers, websites, reference books, etc.
- Instrument of Data Collection – The instrument used to collect primary data is a questionnaire. The instrument used to collect primary data is a questionnaire. A questionnaire is an instrument for gathering data from the study's sample. It can be administered through various methods like emails, online surveys, interviews, or in paper format, among others. In this study the questionnaire consisted of 2 parts. The first part includes questions related to the demographic data of the respondents that helps to collect the profile of the sample such as age, gender etc. The second part includes various multiple-choice. Questions for which respondents had to rate their level; of agreement with responses ranging from “strongly agree” to “strongly disagree” i.e. on a five-point Likert scale.

- **Hypothesis**

Hypothesis is a statement that is yet to be examined through the study conducted by the researcher.

In order to know whether there is significant difference in the common challenges faced by taxpayers in complying with TDS (Tax Deducted at Source) regulations, the following hypothesis is framed:

Null Hypothesis (H01): There is no significant difference in the challenges faced by taxpayers in complying with existing TDS regulations.

Alternative Hypothesis (HA1): Taxpayers experience significant challenges in complying with existing TDS regulations.

In order to know how upcoming changes in TDS regulations impact taxpayers.

Null Hypothesis (H02): There is no significant impact on taxpayers resulting from upcoming changes in TDS regulations.

Alternative Hypothesis (HA2): Upcoming changes in TDS regulations have a significant impact on taxpayers.

In order to know potential opportunities are used for simplifying TDS compliance processes and reducing challenges.

Null Hypothesis (H0): There are no viable opportunities to simplify TDS compliance processes and reduce challenges.

Alternative Hypothesis (H1): There are viable opportunities to simplify TDS compliance processes and reduce challenges for taxpayers.

- **Data analysis technique –**

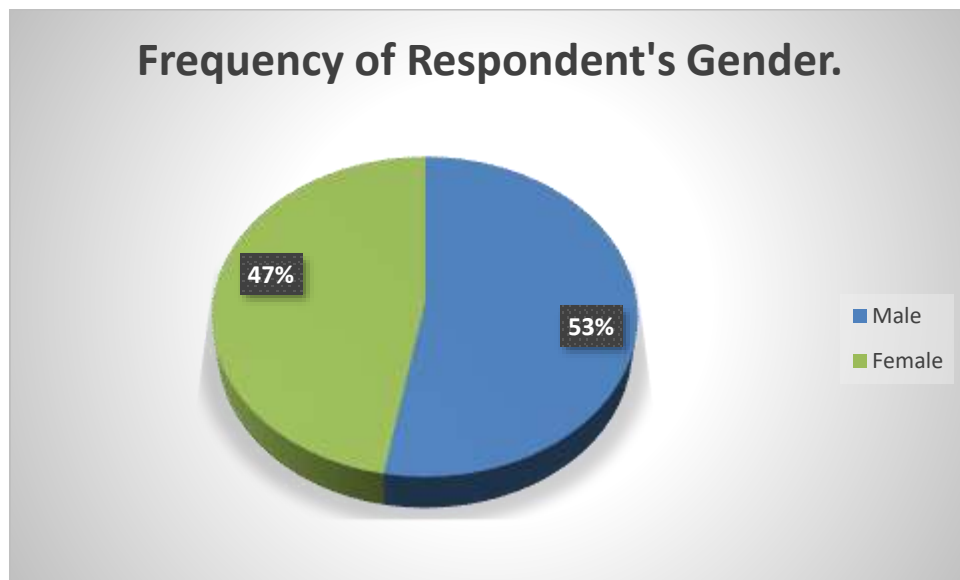
To analyze the primary data collected in the study various data analysis tools were used. Descriptive statistics, frequency distribution tables and T test is used.

- Descriptive statistics – Means and percentages were used to make a better analysis of the data and give inference and frequency distribution tables is constructed and presented for better understanding of the data.
- Inferential statistics - The T test is used to evaluate the developed hypothesis. JMP software is used to perform T tests. It is a type of parametric method based on T Distribution. t's employed to ascertain whether the means of two groups differ significantly from one another and from one another's relationship. If the estimated t-statistic's absolute value is greater than the t-critical value, the null hypothesis is rejected.

CHAPTER- 4: DATA ANALYSIS AND INTERPRETATION

Table 4.1. - Data Representing the respondent's Gender

Category	Frequency of the respondents	Percentage
Male	74	53%
Female	66	47%
Total	140	100

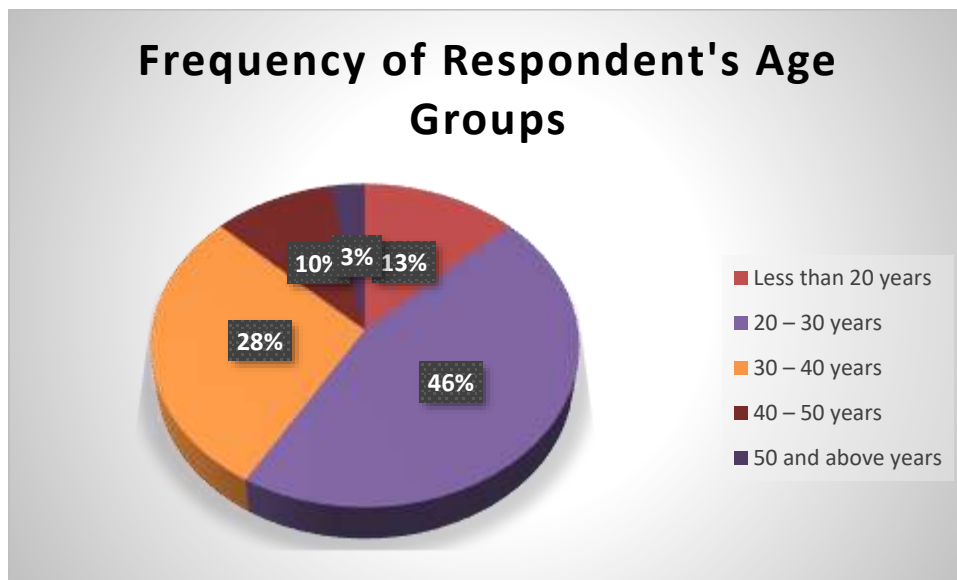
Chart- 4.1. - Pie Chart Representing Frequency of Respondents Gender.**Interpretation:**

From the above pie chart analysis out of 140 respondents, 66 were female and the majority, i.e., 74 belonged to the male category.

Table 4.2. - Data Representing the respondent's Age Group

Category	Frequency of the respondents	Percentage
Less than 20 years	18	13%
20 – 30 years	64	46%
30 – 40 years	40	28%
40 – 50 years	14	10%
50 and above years	4	3%
Total	140	100

Chart- 4.2.- Pie Chart Representing Frequency of Respondents Age Groups

**Interpretation:**

From the above pie chart analysis out of 140 respondents, 18 respondents belonged to the age group of less than 20 years, 4 respondents belonged to 50 and above years, 40 respondents belonged to the 30 – 40 years age group, 14 respondents belonged to 40 – 50 years age group, and the majority 64 respondents belonged to 20 – 30 years age group.

Table 4.3 – Whether it is difficult for tax payers to fulfil their compliance obligations. (Q1)

Responses	Frequency	Percentage
Strongly Agree	23	16%
Agree	47	34%
Neutral	23	17%
Disagree	20	14%
Strongly Disagree	26	19%
Total	140	100

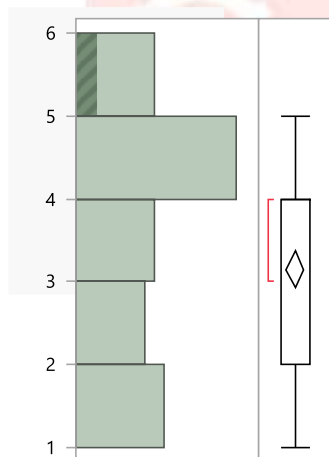
Chart- 4.3- Column chart representing Respondents View on Whether it is difficult for tax payers to fulfil their compliance obligations. (Q1)



Interpretation:

From the above Column chart analysis out of 140 respondents, 23 respondents Neutral with the above views, 23 respondents Strongly Agreed with the above views, 20 respondents Disagreed with the above views, 26 respondents Strongly Disagreed with the above views and the majority 47 respondents Agreed with the above statement views.

Q1



Summary Statistics

Mean	3.151079
	1
Std Dev	1.372154
	1
Std Err Mean	0.116384
	6
Upper 95%	3.381206
Mean	8
Lower 95%	2.920951
Mean	5
N	139
N Missing	0

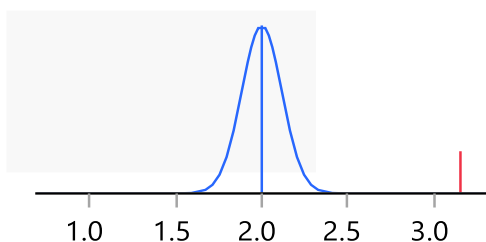
Test Mean

Hypothesized Value	2
Actual Estimate	3.15108
DF	138
Std Dev	1.37215



t Test

Test Statistic	9.8903
Prob > t	<.0001
	*
Prob > t	<.0001
	*
Prob < t	1.0000



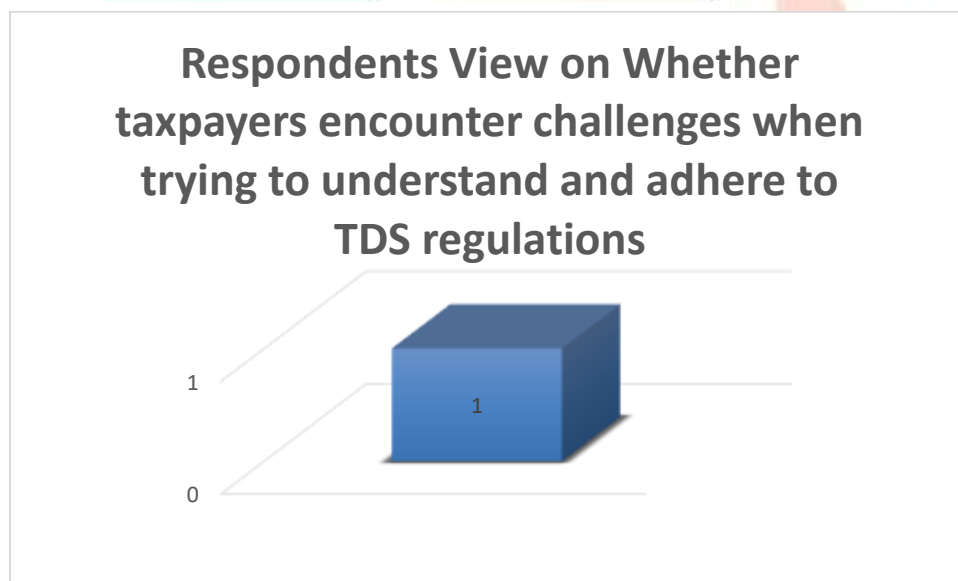
Interpretation:

The summary statistics and test results reveal a substantial distinction between the observed mean value (3.2727273) and the hypothesized value (2), supported by a t-test statistic of 9.6673 and a p-value less than 0.0001. These findings strongly are believer for rejecting the null hypothesis, indicating a significant deviation from the expected value.

Table 4.4 – Whether taxpayers encounter challenges when trying to understand and adhere to TDS regulations(Q2)

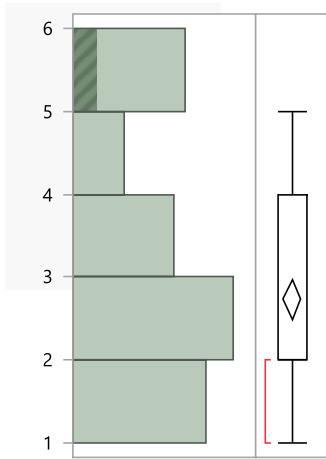
Responses	Frequency	Percentage
Strongly Agree	28	20%
Agree	13	9%
Neutral	25	18%
Disagree	40	29%
Strongly Disagree	33	24%
Total	140	100

Chart- 4.4- Column chart representing Respondents View on Whether taxpayers encounter challenges when trying to understand and adhere to TDS regulations (Q2)

**Interpretation:**

From the above Column chart analysis out of 140 respondents, 25 respondents Neutral with the above views, 28 respondents Strongly Agreed with the above views, 13 respondents Agreed with the above views, 33 respondents Strongly Disagreed with the above views and the majority 40 respondents Disagreed with the above statement views.

Q2



Summary Statistics

Mean	2.733812
	9
Std Dev	1.442499
	5
Std Err Mean	0.122351
	2
Upper 95% Mean	2.975738
Mean	4
Lower 95% Mean	2.491887
Mean	5
N	139
N Missing	0

Test Mean

Hypothesized Value	2
Actual Estimate	2.73381
DF	138
Std Dev	1.4425

t Test

Test 5.9976

Statistic

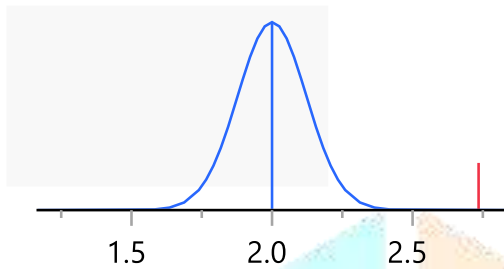
Prob > |t| <.0001

*

Prob > t <.0001

*

Prob < t 1.0000

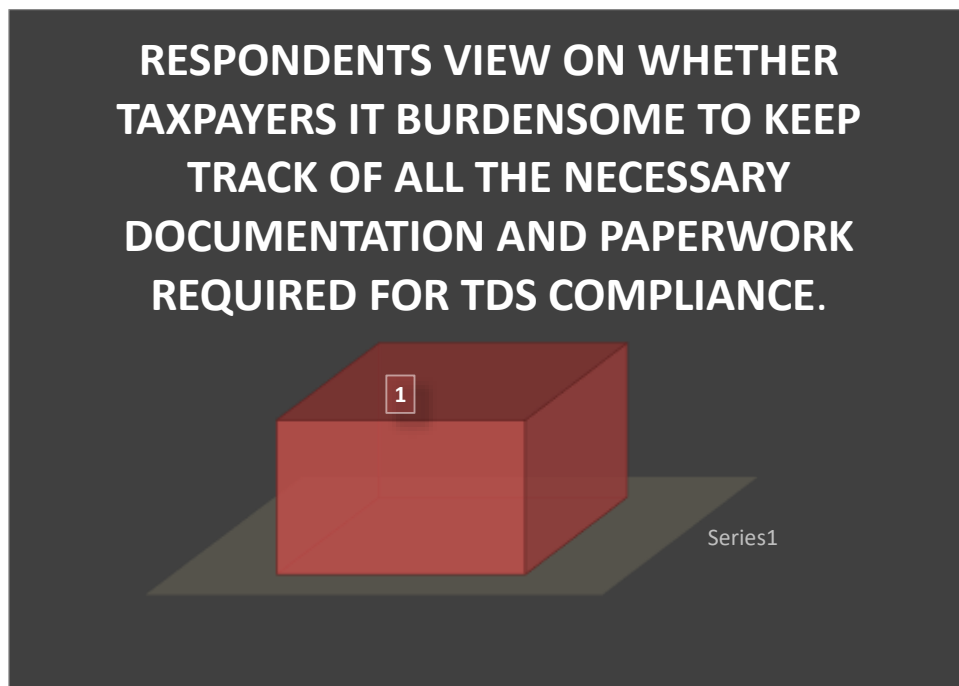
**Interpretation:**

The summary statistics and test results indicate a significant difference between the mean value (2.7338129) and the hypothesized value (2), with a t-test statistic of 5.9976 and a p-value less than 0.0001. This suggests strong evidence to reject the null hypothesis, indicating a substantial deviation from the expected value.

Table 4.5 – Whether taxpayers it burdensome to keep track of all the necessary documentation and paperwork required for TDS compliance. (Q3)

Responses	Frequency	Percentage
Strongly Agree	25	18%
Agree	9	6%
Neutral	30	22%
Disagree	36	26%
Strongly Disagree	39	28%
Total	140	100

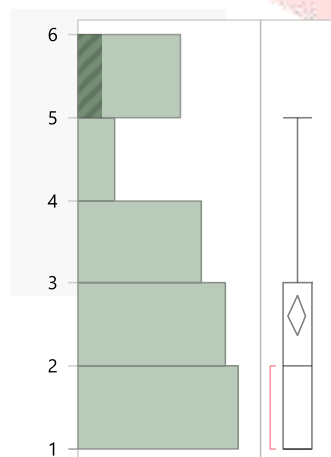
Chart- 4.5- Column chart representing Respondents View on Whether taxpayers it burdensome to keep track of all the necessary documentation and paperwork required for TDS compliance. (Q3)



Interpretation:

From the above Column chart analysis out of 140 respondents,30 respondents Neutral with the above views, 25 respondents Strongly Agreed with the above views, 9 respondents Agreed with the above views, 36 respondents Disagreed with the above views and the majority 39 respondents Strongly Disagreed with the above statement views.

Q3



Summary Statistics

Mean	2.604316
	5
Std Dev	1.422483
	6
Std Err Mean	0.120653
	5
Upper 95%	2.842885
Mean	1
Lower 95%	2.365748
Mean	
N	139
N Missing	0

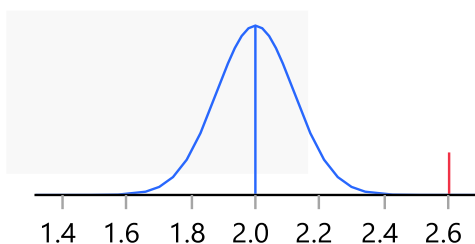
Test Mean

Hypothesized Value	2
Actual Estimate	2.60432
DF	138
Std Dev	1.42248



t Test

Test Statistic	5.0087
Prob > t	<.0001
	*
Prob > t	<.0001
	*
Prob < t	1.0000



Interpretation:

The summary statistics and test results reveal a significant difference between the mean value (2.6043165) and the hypothesized value (2), with a t-test statistic of 5.0087 and a p-value less than 0.0001. This indicates strong evidence to reject the null hypothesis, suggesting a considerable deviation from the expected value.

Table 4.6 – Whether TDS regulations have influenced my investment decisions and financial behavior(Q4)

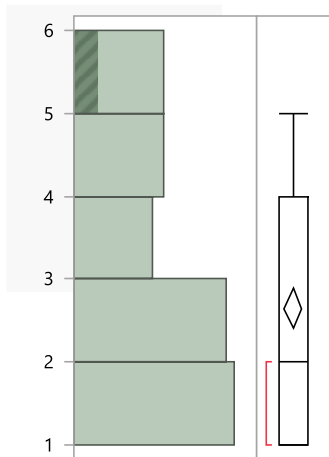
Responses	Frequency	Percentage
Strongly Agree	22	16%
Agree	22	16%
Neutral	19	14%
Disagree	37	26%
Strongly Disagree	39	28%
Total	140	100

Chart- 4.6- Column chart representing Respondents View on Whether TDS regulations have influenced my investment decisions and financial behavior(Q4)

**Interpretation:**

From the above Column chart analysis out of 140 respondents, 19 respondents Neutral with the above views, 22 respondents Strongly Agreed with the above views, 22 respondents Agreed with the above views, 37 respondents Disagreed with the above views and the majority 39 respondents Strongly Disagreed with the above statement views.

Q4



Summary Statistics

Mean	2.647482
Std Dev	1.438917
	2
Std Err Mean	0.122047
	4
Upper 95% Mean	2.888806
	7
Lower 95% Mean	2.406157
	3
N	139
N Missing	0

Test Mean

Hypothesized Value	2
Actual Estimate	2.64748
DF	138
Std Dev	1.43892

t Test

Test 5.3052

Statistic

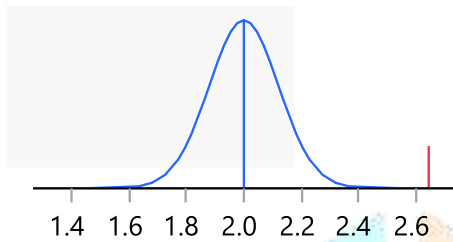
Prob > |t| <.0001

*

Prob > t <.0001

*

Prob < t 1.0000

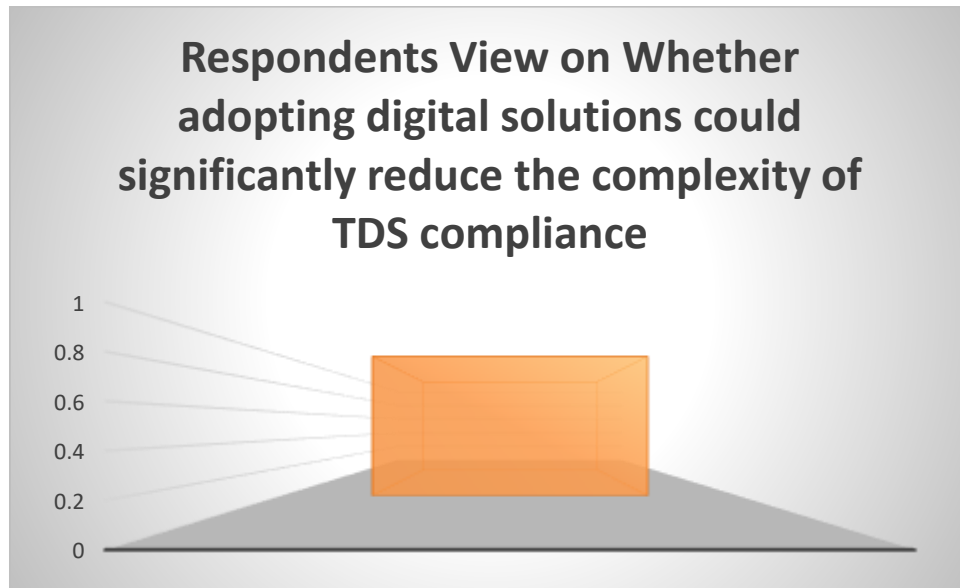
**Interpretation:**

The summary statistics and test results indicate a significant difference between the mean value (2.647482) and the hypothesized value (2), with a t-test statistic of 5.3052 and a p-value less than 0.0001. This provides strong evidence to reject the null hypothesis, suggesting a substantial deviation from the expected value.

Table 4.7 – Whether adopting digital solutions could significantly reduce the complexity of TDS compliance(Q5)

Responses	Frequency	Percentage
Strongly Agree	26	19%
Agree	9	6%
Neutral	36	26%
Disagree	45	32%
Strongly Disagree	23	17%
Total	140	100

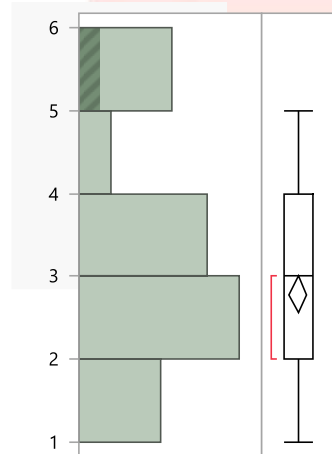
Chart- 4.7- Column chart representing Respondents View on Whether adopting digital solutions could significantly reduce the complexity of TDS compliance(Q5)



Interpretation:

From the above Column chart analysis out of 140 respondents,36 respondents Neutral with the above views, 26 respondents Strongly Agreed with the above views,9 respondents Agreed with the above views, 23 respondents Strongly Disagreed with the above views and the majority 45 respondents Disagreed with the above statement views.

Q5



Summary Statistics

Mean	2.784172
	7
Std Dev	1.328410
	8
Std Err Mean	0.112674
	3
Upper 95%	3.006964
Mean	
Lower 95%	2.561381
Mean	3
N	139
N Missing	0

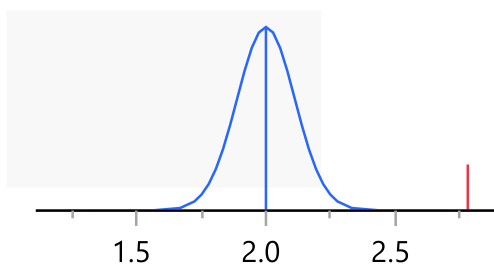
Test Mean

Hypothesized Value	2
Actual Estimate	2.78417
DF	138
Std Dev	1.32841



t Test

Test Statistic	6.9596
Prob > t	<.0001
	*
Prob > t	<.0001
	*
Prob < t	1.0000



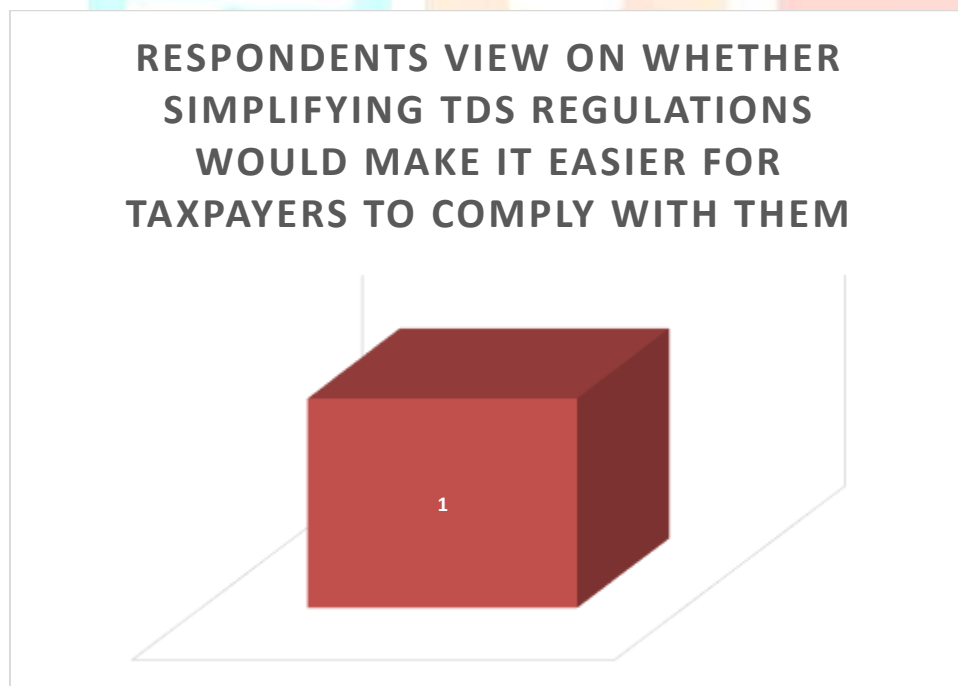
Interpretation:

The summary statistics and test results suggest a significant difference between the mean value (2.7841727) and the hypothesized value (2), with a t-test statistic of 6.9596 and a p-value less than 0.0001. This strong evidence supports rejecting the null hypothesis, indicating a substantial deviation from the expected value.

Table 4.8 – Whether simplifying TDS regulations would make it easier for taxpayers to comply with them(Q6)

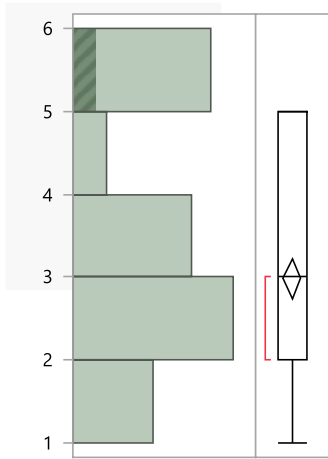
Responses	Frequency	Percentage
Strongly Agree	36	26%
Agree	9	7%
Neutral	31	22%
Disagree	42	30%
Strongly Disagree	21	15%
Total	140	100

Chart- 4.8- Column chart representing Respondents View on Whether simplifying TDS regulations would make it easier for taxpayers to comply with them(Q6)

**Interpretation:**

From the above Column chart analysis out of 140 respondents, 31 respondents Neutral with the above views, 36 respondents Strongly Agreed with the above views, 9 respondents Agreed with the above views, 21 respondents Strongly Disagreed with the above views and the majority 42 respondents Disagreed with the above statement views.

Q6



Summary Statistics

Mean	2.978417
	3
Std Dev	1.421713
	7
Std Err Mean	0.120588
	2
Upper 95% Mean	3.216856
Mean	7
Lower 95% Mean	2.739977
Mean	8
N	139
N Missing	0

Test Mean

Hypothesized Value	2
Actual Estimate	2.97842
DF	138
Std Dev	1.42171

t Test

Test 8.1137

Statistic

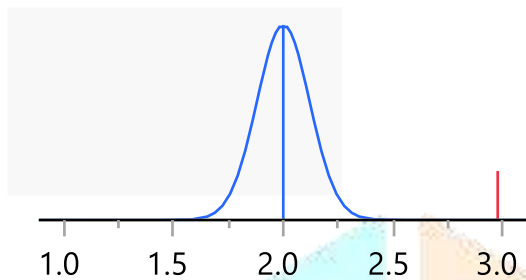
Prob > |t| <.0001

*

Prob > t <.0001

*

Prob < t 1.0000

**Interpretation:**

The summary statistics and test results indicate a significant difference between the mean value (2.9784173) and the hypothesized value (2), with a t-test statistic of 8.1137 and a p-value less than 0.0001. This strong evidence supports rejecting the null hypothesis, suggesting a substantial deviation from the expected value.

Overview:

Overview Overall view of responses received in order to cater the objectives was as follows –

Table No – 4.1 Descriptive Statistics

Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
Q1	23	47	23	20	26	3.15
Q2	28	13	25	40	33	2.73
Q3	25	9	30	36	39	2.60
Q4	22	22	19	37	39	2.64
Q5	26	9	36	45	23	2.78
Q6	36	9	31	42	21	2.97

Interpretation:

As per Table 4.1, the mean values are almost similar to each other and above 2.60. And in all the questions the percentage of agreement is more and is significant. The majority of the respondents have either stayed neutral or disagreed to the given statements.

CHAPTER- 5: SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS

- a. It is obvious that technology plays a major role in lessening the burden of TDS compliance. Increasing the use of digital platforms, automation tools, and accounting software reduces errors, speeds up processes, and increases productivity.
- b. Penalties, fines, and reputational harm are just a few of the serious repercussions that come with breaking TDS standards. Effective risk management strategies and pre-emptive compliance procedures are crucial for reducing these risks.
- c. Notwithstanding these obstacles, research points to ways to improve TDS compliance: putting money into staff training and education; encouraging collaboration with tax authorities; putting best practices for internal controls and tax planning into practice; and using outsourcing for specialist knowledge.

5.2 SUGGESTIONS

- a. In order to facilitate taxpayer compliance with TDS regulations, authorities ought to endeavor to streamline them by reducing unnecessary complexity and providing more effective advice.
- b. With automation tools and accounting software, TDS procedures may be optimized, errors can be reduced, and efficiency can be raised.
- c. Encourage improved mutual understanding of TDS rules, information exchange, and communication between tax authorities and taxpayers in order to reduce the risks and obligations related to compliance.

5.3 Conclusion

The research on Tax Deducted at Source (TDS) compliance, reveals the perspectives and difficulties faced by taxpayers. TDS's complexity, frequent regulation changes, and technical compliance difficulties plague some stakeholders, despite the fact that others recognize the system's critical role in sustaining government revenue, ensuring timely tax payments, and combating tax evasion. To help taxpayers utilize TDS effectively, the majority of respondents also concurred that taxpayers required tools or instructions that were simpler to understand. In order to lessen the burden of compliance and promote greater tax compliance, this provides a clear window of opportunity for legislators and tax authorities to enhance taxpayer education, streamline regulations, and integrate tech-enabled solutions. Although there are numerous obstacles including complicated compliance requirements and administrative workloads, TDS presents a number of advantages for encouraging tax compliance, guaranteeing stable income streams, streamlining tax collection procedures,

and improving openness. Through the adoption of technology-driven tax management systems, regulatory change monitoring, and compliance framework investments, businesses can optimize these advantages. A more efficient and fair tax system can be achieved by doing this, according to stakeholders.

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- d. <https://paytm.com/blog/income-tax/guide-you-need-to-understand-tds/>

