

भारत सरकार  
ग्रामीण विकास मंत्रालय  
मुख्य लेखानियंत्रक का कार्यालय  
प्रधान लेखाकार्यालय  
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No. Pr.AO/ PFMS /2021-22/ E-364613/ 176 - 92

Dated: 11.05.2022

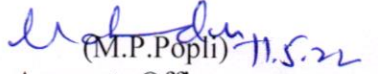
**Office Memorandum**

**Sub: Release of funds under the Centrally sponsored Schemes (CSS) and monitoring utilization of the funds released – SOP for handling tax payment through holding account by External Systems – Reg:**

The undersigned is directed to forward herewith the OM No. AD-17007/24/2021-PFMS Rollout Vertical/623 dated 9<sup>th</sup> May, 2022 issued by PFMS, O/o Controller General Of Accounts, Department of Expenditure, Ministry of Finance on the subject cited above for your kind information and necessary action.

This issues with the approval of Competent Authority.

Encl: as above

  
(M.P. Popli)  
Sr. Accounts Officer

1. All PDs of DoRD/ DoLR/MoPR (Centrally sponsored Schemes (CSS))
2. IFD/Budget Division DoRD/ DoLR/MoPR.
3. DDG-NIC, MoRD/MoPR

Copy for information to:

1. PPS to AS&FA, MoRD/MoPR
2. PS to CCA, MoRD/MoPR
3. PA to Dy.CA, MoRD/MoPR

**AD-17007/24/2021-PFMS Rollout Vertical/ 623**

Government of India, Ministry of Finance  
Department of Expenditure  
O/o the Controller General of Accounts  
Public Financial Management system

4<sup>th</sup> Floor, Shivaji Stadium Annexe  
Shaheed Bhagat Singh Marg, New Delhi-110001

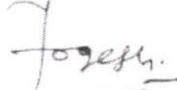
Dated: 06.05.2022  
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**OFFICE MEMORANDUM**

**Subject: Release of funds under the Centrally Sponsored Schemes (CSS) and monitoring utilization of the funds released – SOP for handling tax payment through holding account by External Systems.**

The undersigned is directed to refer to Department of Expenditure letter No.1 (13) PFMS/FCD/2020 dated 23.03.2021 on the above mentioned subject. After taking into consideration the issues in handling of tax payment through Holding Account by External Systems under **Model 1 & 2** of SNA implementation, a Standard Operating Procedure (SOP) on the same is enclosed. An updated integration document will shortly be made available to the external systems for carrying out necessary changes for transfer of data.

This issue with the approval of Competent Authority.

  
(Yogesh Kumar Meena)  
Dy. Controller General of Accounts

To,

1. All Nodal Officers of integrated External Systems
2. All PFMS State Directorates.

Copy to:

1. Sr. PPS to Addl. Secretary (PFS), DoE, Ministry of Finance
2. Sr.PS to Addl. CGA (PFMS Div.)
3. Pr.CCAs/CCAs/CAs (IC) of Ministries/ Departments
4. Jt.CGAs (TRBR/Rollout/DBT)
5. Jt. CGAs (Zone-1/2/3),PFMS
6. Director (Finance), Department of Expenditure.
7. Dy.CGAs/ACGAs (Rollout)
8. Sr.AOs/AAO, PFMS (Roll-out).

# **STANDARD OPERATING PROCEDURE**

**FOR**

**HANDLING TAX PAYMENT THROUGH HOLDING  
ACCOUNT BY EXTERNAL SYSTEMS**

**MODEL 1 & 2 of SNA GUIDELINES (MIS & PAYMENT)**



**Public Financial Management System**  
**Office of Controller General of Accounts**  
**Ministry of Finance, Department of Expenditure**  
**Government of India**

**1 Introduction**

This document describes the Standard Operating Procedure for the operation of Statutory tax deduction holding account by the various stockholders. The stakeholders need to follow the steps mentioned in the document for the MIS and Payment under Model 1 & 2.

**2 Stakeholders**

1. External systems integrated with PFMS
2. PFMS.
3. Banks (SNA & ZBA Bank)

**3 Assumptions:**

1. The Holding Account to be only opened, preferably in the SNA Bank.
2. Holding Account can be added only after adding SNA or ZBA Account
3. The holding accounts shall be non-interest bearing account.
4. IA & Banks shall ensure that the holding account is used only for transactions (debit as well as credit) related to statutory deductions and no other transactions shall be allowed. All credits into holding account from External System would be sent with narration "STATUTORY DEDUCTION".
5. Same holding account number cannot be added in multiple scheme.

**4 SOP for External System Integration with PFMS**

**Model -1: MIS only**

1. Single Nodal Agency and Implementing agencies to open holding account in SNA bank, for holding the Statutory taxes and deductions amount.
2. The Implementing agencies need to use the Holding Account for the purpose of holding taxes / duties / levies/fees/ municipal charges etc., of state government / municipalities etc.
3. Provision to be provided in external system application for adding holding account alongwith SNA/ZBA. Only one holding account can be added in SNA scheme by an agency
4. Provision to be added in the external system application for making Vendor payment and Tax file payment separately.
5. External Systems shall send first vendor payment file to bank for the payment processing through their application.
6. After receiving the credit success of Vendor payment, the agency will do funds transfer equivalent to the statutory deduction amount from SNA/ZBA into the holding account through external system application.
7. External System to provide feature in application to enter the tax / deduction challan details for all vendor payments which are reported as success by bank.