



Linking of PAN and Aadhaar by March 31, 2023

The Income Tax Department under section 139AA of the Income-tax Act, 1961 ('Act') has mandated linking of Aadhaar Number, for every person who has been allotted with a Permanent Account Number ('PAN'). Failing which the Permanent Account Number (PAN) shall become inoperative. Inoperative PANs will attract higher rates of TDS/TCS and may also restrict various banking transactions.

The due date to link the PAN with Aadhaar was till March 31, 2022. In order to mitigate the inconvenience to taxpayers, an additional window of opportunity has been provided by the Income Tax Department to link the Permanent Account Number (PAN) with the Aadhaar by March 31, 2023.

However a minimal fee would be applicable depending on the date on which the linking of Aadhaar Number with the Permanent Account Number (PAN) is done.

If the linking is completed:

- On or before June 30, 2022 the taxpayer has to pay a fee of ₹500,
- After June 30, 2022, the taxpayer has to pay an applicable fee of ₹1,000.

Please note: The Permanent Account Number (PAN) needs to be operational in order to enjoy uninterrupted banking services.