

society had failed to deduct tax at source in respect of contribution made by the appellant to superannuation fund to the Kerala Co-Operative Employees Pension Board as the same was not recognised or approved fund under the Fourth Schedule to the Income Tax Act. Accordingly, the TDS Officer held that the assessee is an 'assessee in default' and demanded tax of Rs. 4,81,059/- vide order dated 13.07.2023 for AY 2020-21. Subsequently, on receipt of the said order an application u/s. 154 of the Act was filed before the TDS Officer seeking rectification of the order by stating that Kerala State Co-operative Employees Pension Board has been approved u/s. 10(23AAA) vide ITBA/ASK/F/73/2022-23/1049830641(1) vide order dated 16.02.2023. However, the said application was rejected by the TDS Officer by holding that approval was not granted under Part B of the Fourth Schedule of the Income Tax Act. Therefore, the contribution made by the appellant society would be taxable as perquisites in the hands of the employees u/s. 17(2) of the Act. Accordingly, dismissed the application vide order dated 21.09.2023.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order confirmed the action of the AO.

4. Being aggrieved, the appellant is in appeal before this Tribunal in the present appeal.

5. We have heard the rival contentions and perused the material available on record. Admittedly the Kerala State Co-operative

Employees Pension Board was not approved under Part B of Fourth Schedule of Income Tax Act. The mere fact that the income of the said Board was approved for exemption u/s. 10(23AAA) of the Act does not tantamount to approval as defined u/s. 2(vi) of the Act. Therefore, we do not find any merit in the appeal filed by the assessee.

6. In the result, the appeal filed by the assessee stands dismissed.

Order pronounced in the open court on 31st July, 2025.

Sd/
(SONJOY SARMA)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 31st July, 2025
n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar
ITAT, Cochin