Form No. 121 – Declarations under section 393(6) for receipt of certain incomes without deduction of tax

Name of form as per I.T. Rules, 1962	**15G & 15H**	Name of form as per I.T. Rules, 2026	**121**
Corresponding section of I.T. Act, 1961	**197A(1), 197A(1A) & 197A(1C)**	Corresponding section of I.T. Act, 2025	**393(6)**
Corresponding Rule of I.T. Rules, 1962	**29C**	Corresponding Rule of I.T. Rules, 2026	**211**

Purpose:

Form No. 121 are self-declaration Forms furnished by individuals to ensure **no deduction of tax at source (TDS)** on specified incomes such as **interest on bank deposits, post office deposits, or other specified incomes**, when their **total income is below the taxable limit**. These declarations are made under Section 393(6) of the Income-tax Act, 2025 read with Rule 211 of the Income-tax Rules, 2026.

Who Should File:

Resident Individuals (whether below 60 years or 60 years and above), Hindu Undivided Families (HUFs), and other specified eligible entities that meet the stipulated criteria. Companies and Firms are not eligible to file Form 121. Non-residents are not eligible to file this form.

1. **Earlier Form 15G** – Resident individuals (below 60 years) and HUFs with:
    - No tax liability for the year, and
    - Total interest income below the basic exemption limit.
2. **Earlier Form 15H** – Resident individuals aged 60 years or more with:
    - Estimated total income below the taxable limit after considering deductions.

Frequency & Due Dates:

Event	Action	Due Date
Submission of Declaration	Furnished to payer before income is credited or paid (e.g., at the beginning of the Tax Year or before first payment).	As and when income arises

Monthly Statement by Payer	To be filed with the Income-tax Department containing details of declarations received.	On or before **7th of the following month**
Quoting in Quarterly TDS Statement	Payer must quote the **Unique Identification Number (UIN)** allotted by the payer while filing Statement in Form No. 140.	Along with Form No. 140 (Quarterly TDS Return)

Structure of Form No. 121:

1. **Part A:**

   - **Details of the declarant** - Name, Address, PAN, Status, Residential Status, Date of Birth, Contact details and Tax Year.
   - **Details of Income –** Nature of Income, Estimated income, Aggregate amount of Income, Estimated total income of the Tax Year and Details of last two Tax Year's ITR filed.
   - **Declaration by the Declarant**

2. **Part B:**

   - **Details of the person responsible for paying income** - Name, Address, TAN, PAN, Contact details and Tax Year.
   - **Details of declarant and declarations received –** Name of the declarant, PAN, UIN, Date of Birth/Incorporation, Address, Contact details, Estimated income, Estimated total income of the Tax Year, Aggregate amount of Income and Date on which declaration is received.
   - **Declaration by the person responsible for paying income**

Documents/details required to file Form No. 121:

1. **PAN** of the declarant (mandatory), **TAN** of Payer.
2. **Proof of age**
3. **Details of income/investment** for which no TDS is to be deducted.
4. **Bank account details** (for interest-bearing instruments).

Filing Count:

On an average, around **90 lakh declarations for earlier Form 15G** & around **1 crore declarations for earlier Form 15H** have been submitted annually across financial institutions, banks, and companies in the last five years.

Process flow of filing Form No. 121:

A. For Declarant (Individual/HUF):

1. **Check eligibility**:
   - Resident individual or HUF/trust (not a company/firm) whose *final tax liability is nil* for the year.
   - Total income (including interest and whatever income subject to TDS) should be such that expected tax liability is NIL.
   - Valid PAN is mandatory.

   Note: Submission of these forms **does not** make the income free from income-tax; it only prevents TDS being deducted, if conditions are met.

2. **Obtain the form**:
   - Download Form No. 121 from the official site of Income-tax Department or bank/financial institution's website.
   - Many banks support online submission of the form via internet/mobile banking.

3. **Fill in the declaration**:

   The form typically asks for: Name, PAN, Status (Individual/HUF/trust), Tax Year, Residential status, estimated total income, details of the income for which the declaration is being filed, etc.

4. **Submit the form to the payer/deductor**:
   - Submit to the bank/financial institution/employer that will make the payment (e.g., interest, dividend).
   - Submission can be **manual** or **online**, depending on payer. The bank/finance company may provide online facility.
   - The form is valid for the Tax Year concerned; if eligible, one should submit at the beginning of the year or before the payment/credit to avoid TDS.

B. For Bank / Institution / Payer:

1. **Receive Form No. 121 from declarants**:
    - When a person (i.e. declarant) submits the declaration, payer needs to verify eligibility (PAN, Status, etc.) and record the form.
2. **Assign Unique Identification Number (UIN)**:
    - The payer assigns a UIN for each Form 121 received. This UIN has multiple components (Sequence Number, Tax Year, TAN of payer).
    - The sequence number should align with the paper declaration (if paper) and the online record.
3. **Submit statement to Income-tax Department**:
    - The payer is required to **upload a consolidated statement** of all Forms 121 received **on a monthly basis** through the e-filing portal of the Income-tax Department (via TAN login) even though no TDS is deducted.
    - Steps:
        - Ensure payer has a valid TAN and is registered on e-filing portal.
        - Download the CSV utility.
        - Login via TAN on Income Tax e-Filing portal → e-File → Fill Form No. 121 (select applicable Form, Year, Month, Filing Type) → Attach CSV + Signature → Upload.
    - After upload, status will show "Uploaded", then after processing "Accepted" or "Rejected".
4. **Quote the UIN in quarterly TDS returns**:
    - Even though no tax is deducted at source because of Form No. 121, the payer must quote the UIN of the declarant in the quarterly TDS statement in Form No. 140 so that records align.

Outcome of Processed Declarations:

For Payers (Deductors):

- Enables validation of declarations and ensures no TDS is deducted where eligible.
- UIN facilitates reconciliation with Form No. 140 and the Income-tax Department's records.
- Non-compliance (missing UIN or incorrect reporting) may attract penalties under relevant provisions.

For Declarants (Deductees):

- Ensures **no deduction of tax** where income is below taxable limits.
- Reduces the need for refunds and simplifies tax filing.
- Declaration data is reflected in **Form No. 168/AIS**, confirming submission and linkage with PAN.

Brief Note on Qualitative Changes Made:

1. **Merger of Forms 15G and 15H:** Forms 15G and 15H have been combined into a single consolidated Form No. 121 to streamline reporting and reduce administrative complexity.
2. **Structural Changes:** Redundant columns have been deleted. Explanatory notes have been provided to guide users in filing the form accurately.
3. The revised Form No. 121 will be a smart one to enhance user experience and providing ease of filing through
   a. auto-population/pre-filling of relevant details using information available from the profile.
   b. real time validations & error handling
   c. drop downs & date pickers
   d. integration with APIs & Databases
   e. Check box based smart verification
   f. Standardization of name & address fields etc.

Common Changes Made Across Forms:

1. To make Forms system-friendly and enable e-filing and uploading, certain anomalies found due to grouping of Name, Designation, Address and PAN have been separated into different boxes.
2. Assessment / Financial / Previous year or years have been replaced with Tax year or years, wherever appearing in the Form/Annexure.
3. Changes in Sections, Clauses and Schedules have been aligned as per the Income-tax Act, 2025.
4. Currency symbol “Rs.” has been replaced with “₹”.