

## FAQs ON PAN (PERMANENT ACCOUNT NUMBER)

**1. What are the benefits of obtaining a Permanent Account Number [PAN] and PAN Card?**

A PAN number has been made compulsory for every transaction with the Income Tax department. It is also mandatory for numerous other financial transactions such as opening of bank accounts, availing institutional financial credits, purchase of high-end consumer item, foreign travel, transaction of immovable properties, dealing in securities etc. A PAN card is a valuable means of photo identification accepted by all government and non-government institutions in the country.

**2. I have lost my PAN card but remember my number. Do I necessarily need to get a fresh card?**

With your PAN you can continue to transact with the Income Tax department. However, in respect of other agencies you may encounter constraints without a PAN card since it doubles as a photo identity card.

**3. I have been allotted two PANs. Which number should I use?**

You may retain any one of the numbers and surrender the other through a letter addressed to your jurisdictional Assessing Officer.

**4. If I do not surrender the additional PAN number, is there any problem?**

**Yes.** It is illegal to have two PANs and the penalty for such offence is Rs.10,000/-

**5. By mistake I have been using different PANs for different purpose like one for my demat account and another for filing my Income Tax return and payment of taxes. How do I set this right?**

It is advisable to retain only one PAN, preferably the one used for Income Tax purpose and surrender the other number immediately. The institutions where the latter number has been quoted should be informed of the correct PAN.

**6. Is it mandatory to file return of income after getting PAN?**

**No.** Return is to be filed only if you have taxable income.