



## PAN-Aadhaar Link

The Income Tax Department has come up with a new arrangement to link the PAN and [Aadhaar](#) wherein the **Permanent Account Number (PAN) will be automatically issued** to a taxpayer using Aadhaar number for filing returns.

- The department will obtain demographic information of an individual from the **Unique Identification Authority of India (UIDAI)** for allotment of PAN. The taxpayer will not be required to apply or submit any more documents.
- While UIDAI issues Aadhaar to a resident, **PAN is a 10-digit alphanumeric number allotted by the tax department** to an individual, company or entity.
  - PAN enables the department to link all transactions of the "person" with the department. These transactions include tax payments, TDS/TCS credits, returns of income, specified transactions, correspondence, and so on. PAN, thus, acts as an identifier for the "person" with the tax department.
- Aadhaar contains all the vital information of an individual such as name, date of birth, gender, photo and address, as well as biometrics. The same set of information is required to get a PAN.
- Recently, the Finance Minister in her Budget speech announced that PAN and Aadhaar are being made interchangeable as the government will allow those who do not have PAN to file I-T returns by simply quoting their Aadhaar number and use it wherever they are required to quote PAN.
  - The move is aimed at **improving tax compliance** and to make the life of the taxpayer simpler.

[Source: IE](#)

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