

## TAX DEDUCTED AT SOURCE (TDS) [CA Final Nov 24]

<b>Sec 192</b> Salary	<b>Average rate of tax (Slab)</b>	Deducted at the time of payment
<b>Sec 192A</b> Payment of Accumulated balance to employee	<b>10%</b> (If no PAN = MMR)	Deducted at the time of Payment No TDS if: (limit) • amount < <b>50000</b> in a year • Service ≥ <b>5 years</b>
<b>Sec 193</b> Interest on securities	<b>10%</b>  <u>Payer</u> : any person <u>Payee</u> : Resident person	No TDS if interest: • Payable on govt. securities • Payable on DMAT securities • <b>Payable to business trust by SPV</b> • Paid to LIC,GIC, or other insurers
<b>Sec194</b> Dividend	10% <u>Payer</u> : Indian Co. <u>Payee</u> : Resident shareholder	Deducted at the time of Payment No TDS if: (limit) • Aggregate dividend ≤ <b>Rs 5000</b> p.a and paid in other than cash mode • Paid to LIC,GIC, or other insurers or • <b>Business trust (SPV TO BT)</b>
<b>Sec 194A</b> Interest other than Interest on securities	<b>10%</b>  <u>Payer</u> : any person (other than Indv./HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	No TDS if • Interest paid by Bank/cooperative bank/post office ≤ <b>40000</b> p.a (senior citizen – <b>50000</b> p.a) • Interest paid by others ≤ <b>5000</b> p.a • Paid by Firm to a partner • Paid by CG under income tax Act • Paid to LIC, other insurers, UTI, or any banks
<b>Sec 194B</b> Winning from lottery or crossword puzzles	<b>30%</b>  <u>Payer</u> : Any person <u>Payee</u> : Any person	Deducted at the time of Payment • No TDS if Aggr. Amount ≤ <b>10000</b> for FY • If winning in Kind , the winnings will be released only after ensuring that TDS is paid to the govt.
<b>Sec 194BA</b> Winning from Online Games [FA -2023]	<b>30% on net winnings on his user account</b>  <u>Payer</u> : Any Person <u>Payee</u> : Any person	Deducted at the time of: • Withdrawal from user account (net winnings withdrawal) :and • At the end of FY (Balance amount) If winning in Kind , the winnings will be released only after TDS is paid to the govt.
<b>Sec 194BB</b> Winning from horse race	<b>30%</b>  <u>Payer</u> : Any person <u>Payee</u> : Any person	No TDS if Aggregate Amount ≤ <b>10000</b> for FY
<b>Sec 194C</b> Payment to contractors	Individual/HUF – <b>1%</b> Others – <b>2%</b>  <u>Payer</u> : any person (other than Indv. /HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	<u>Limits</u> :- • Single payment ≤ <b>30000</b> • Aggregate during FY ≤ <b>100000</b> (once exceeded 1 lac, TDS deducted on total amount) <u>No TDS if</u> :- • Payment made by indv/HUF exclusively for personal purpose
<b>Sec 194D</b> Insurance commission	<b>5%</b>  <u>Payer</u> : any person <u>Payee</u> : Resident	Limit :- No TDS if aggregate amount ≤ <b>15000</b>
<b>Sec 194DA</b> Maturity proceeds of Life insurance policy	<b>5% On (maturity amount – premium)</b>  <u>Payer</u> : any person <u>Payee</u> : Resident	Deducted at the time of Payment No TDS if • maturity amount in FY < <b>100000</b> • exempt under sec 10(10D)
<b>Sec 194E</b> Payment to NR sportsmen, sports assoc., entertainer	<b>20% (SC + CESS)</b>	• No limit • Sportsmen/ entertainer - NR + non citizen • Umpire and referee not covered here • Refer Sec 115BBA
<b>Sec 194G</b> Commission on sale of lottery tickets	<b>5%</b>  <u>Payer</u> : Any person <u>Payee</u> : Any person	Limit :- No TDS if amount ≤ <b>15000</b>

<b>Sec 194H</b> Commission or brokerage	<b>5%</b>  <u>Payer</u> : any person (other than Indv./HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	Limit :- No TDS if aggregate amount ≤ <b>15000</b>  No TDS if: • Commission or brokerage on professional services
<b>Sec 194I</b> Rent	<b>10%</b> - Land, building, furniture or fitting <b>2%</b> - P&M, equipment  <u>Payer</u> : any person (other than Indv./HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	Limit :- No TDS if aggregate for all assets in a FY ≤ <b>240000</b> (in case of co ownership 240000 limit applied for each owners separately)
<b>Sec 194IA</b> Purchase of immovable property other than rural agricultural land	<b>1%</b> of (higher of consideration or SDV)  <u>Payer</u> : any person <u>Payee</u> : Resident person	Limit :- No TDS if consideration or SDV < <b>5000000</b> (does not apply if 194LA applies)  Consideration includes all charges incidental to transfer such as – membership fee, maintenance fee, parking fees etc
<b>Sec 194IB</b> Renting of Immovable properties	<b>5%</b>  <u>Payer</u> : individual or HUF (not covered u/s 194I) <u>Payee</u> : Resident	Deducted at the time of credit or payment of last month rent of PY or last month of tenancy, whichever is earlier (But deduction not to exceed Rent for last month)  Limit :- No TDS if rent ≤ <b>50000 p.m</b>
<b>Sec 194IC</b> Payment under Joint development agreement	<b>10%</b>  <u>Payer</u> : any person <u>Payee</u> : Resident person	TDS only on the cash consideration (not on kind)  If payment to NR – Sec 195 applies
<b>Sec 194J</b> Fees for professional and technical services	<b>2%</b> - FTS, call centre, royalty on sale or distribution of films <b>10%</b> - Others  <u>Payer</u> : any person (other than Indv./HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	Limits :- - Professional fees - Technical fees - Royalty - Non-compete fees Sitting fees to DIR – No Limit  } ≤ <b>30000</b> For each category of payments  No tds if:- • Payment by Indv./HUF for personal purpose
<b>Sec 194K</b> Income in respect of units	<b>10%</b>  <u>Payer</u> : any person <u>Payee</u> : Resident	Limit :- • No TDS if aggregate amount in FY ≤ <b>5000</b> No TDS if income is in the nature of capital gain
<b>Sec 194LA</b> Compensation on compulsory acquisition of immovable Prop	<b>10%</b>  <u>Payer</u> : any person <u>Payee</u> : Resident person	Deducted at the time of Payment Limit :- No TDS if aggregate amount ≤ <b>250000</b> (does not apply if 194LA applies) No TDS on rural agricultural Land
<b>Sec 194 LB</b> Interest on infrastructure Debt fund	<b>5% (SC + CESS)</b>  <u>Payer</u> : IDF <u>Payee</u> : NR/FC	Refer Sec115A – NR taxation
<b>Sec 194LC</b> Interest on Foreign currency Borrowings made by Indian co./ bus. trust	<b>5% (SC + CESS)</b>  <u>Payer</u> : Indian co/ BT <u>Payee</u> : NR/FC	Refer Sec 115A – NR taxation  (Sec 206AA not applicable)

<b>Sec 194LD</b> Interest to FII or QFI	<b>5% (SC + CESS)</b>  <u>Payer</u> : Any person <u>Payee</u> : FII/QFI	Interest on:- • Rupee denominated bonds • Govt. securities • Municipal Debt securities Refer Sec 115A – NR taxation
<b>Sec 194M</b> Payment of certain sums by inv./HUF (contract, Prof fees, comm./ brokerage)	<b>5%</b>  <u>Payer</u> : Individual /HUF not covered u/s 194C/H/J <u>Payee</u> : Resident	Limit :- No TDS if aggregate amount in FY ≤ <b>50 Lacs</b>
<b>Sec 194N</b> Withdrawing cash  (If payee is co-operative society limit will be 3 Crore ) [FA -2023]	If Limit is 1 Crore - <b>2%</b>  If limit is 20 Lacs • 20 Lac to 1 Crore - <b>2%</b> • Above 1 Crore – <b>5%</b>  <u>Payer</u> : Banks, co-op banks, post office <u>Payee</u> : Any person	Limits :- • Paying any sums > <b>1 Crore</b> • In case of no filers of ROI for preceding 3 FY the limit is sum > <b>20 Lacs</b> • Govt. securities  not applicable if payment made to : Govt, banks, co-op banks, post office, or person notified by CG
<b>Sec 194O</b> Payment by E-commerce operators (ECO) to E-commerce participants (ECP)	<b>1%</b> on Gross amount of sale  If no PAN furnished - <b>5%</b>  <u>Payer</u> : ECO <u>Payee</u> : ECP	No TDS if:- • ECP is individual/ HUF; and • Gross amount in FY < <b>5 Lacs</b> ; and • ECP has furnished PAN/Aadhar to ECO If TDS Deducted under this sec no need to deduct in other section (Eg- 194H) (Refer ONDC amendment)
<b>Sec 194P</b> Income of Specified Senior Citizen	<b>Rates in Force</b>  <u>Payer</u> : Specified Banks <u>Payee</u> : Specified senior citizen	Specified senior citizen means:- • Resident Individual aged ≥ <b>75 years</b> ; and • Having pension income & no other income (except interest income from same bank); and • Furnished declaration to the specified bank (such person is not required to file ROI u/s 139)
<b>Sec 194Q</b> Payment for purchase of goods	<b>0.1%</b> of excess of 50 Lacs  If no PAN furnished - <b>5%</b>  <u>Payer</u> : Resident buyer whose T/O of preceding PY > 10 Crore <u>Payee</u> : Resident Seller	Limit :- Aggregate amount in a year ≤ <b>50 Lacs</b>  No TDS u/s 194Q if:- • TDS already deducted under other sec (194O) • TCS already collected u/s 206C(1H) • In case 194Q & 206C(1H) both applies – apply sec 194Q, • 194Q is applicable on advance amount • In the year of incorporation 194Q does not apply Bcoz PY turnover is NIL
<b>Sec194R</b> Benefits or perquisites in money or in kind w.r.t business or profession	<b>10%</b> of value of benefit (FMV)  <u>Payer</u> : any person (other than Indv./HUF whose TO/GR is up to 1cr/ 50 lacs) <u>Payee</u> : Resident person	Limit:- Aggregate amount in FY ≤ <b>20000</b> • If gift is in kind, payer has to ensure that TDS has been deducted & paid to govt. • 194R NA on loan waiver /settlement by banks • 194R NA on sale discount, cash discount or rebates between seller and buyer • 194R NA on Bonus and right issues
<b>Sec 194S</b> Transfer of virtual digital assets	<b>1%</b> of consideration  <u>Payer</u> : Buyer <u>Payee</u> : Seller	Limits:- • <b>Amount ≤ 50000</b> for ✓ Individual/HUF whose T/O ≤ 1 crore or GR ≤ 50 Lacs • <b>Amount ≤ 10000</b> for ✓ Assessee other than individual /HUF ✓ Individual/HUF whose T/O > 1 crore or GR > 50 Lacs