Lec 1 1 April

Chapter = 13

TDS - TCS - Advance Tax
(Tax dedn at source)

* Section 192 Salary → TDS Cut
↓
Average rate of tax

Eg Net Salary 10 lakh
Tax liability old Regime

112500
+4% HEE
117000

5l × 20%
2.5l × 5%
2.5
0

Effective Rate $\frac{117000}{10l} \times 100 = \boxed{11.7\%}$

80000pm × 11.7%

$\boxed{\frac{\text{Tax payable on T.I.}}{\text{Total Income}} \times 100}$

Employer $\xrightarrow{\text{ESOP}}$ Employee
→ ① Sell + 14 days ⇒ |TDS Cut|
→ ② Job leave + 14 days
→ ③ Sell ⊗ Job leave ⊗ } AY end + 48 mon
4 year
+14 days

MV = 100 rs
Purchase = (20 rs)
Income = 80 rs

Income TDS Cut ??
|Yes|

Eg PY 23-24
Shares rec.
AY 24-25
+4 years
31.3.2029
+14 days

Date......................

* Section 192A — RPF withdrawal

- after 5years
  - ↓ Exempt
  - NO TDS (X)
- within 5 years
  - upto 49,999 — NO TDS (X)
  - 50,000 or more ↓ 10% TDS (✓)

Section 194 — Shares

Pg 13.5

Shares invest
↓
Dividend

- Dividend upto ₹5000 in a FY — NO TDS
  To Individual
  Cash (X)

  Co. wise → Per company

- Other person
  Firm / HUF etc
  ↳ Compulsory TDS (✓)

Section 194K — Mutual fund

Mutual fund → Growth
Mutual fund → Dividend yielding M.fund
Mutual fund ↓ Dividend Rec.

Calculation Same

other wise Rate 10%
(If 5000 se jyada hua toh)

Lec 2 2 April

Date.......................

* **Section 193** Interest on securities Pg 13.4

Rate → $\boxed{10\%}$

- 8% / 7.75% savings bond
- floating rate savings bonds 2020

Interest upto 10,000 तक → No TDS

- widely held Company
  Debentures invest
  Resident, Individual / HUF
  Bank A/c payee cheque → NO TDS
  5000 तक

NO TDS :-

(a) Security of CG / SG
(b) Payable to LIC / GIC / Insurance Companies
(c) special purpose Vehicles to → Business trust

* **Section 194 A** Interest on other than securities

Rate → $\boxed{10\%}$

Bank → 40,000
'R' senior → 50,000
other Cases → 5,000
upper limit

NO TDS :-
- Govt. bonds
- To सरकार
- LIC / Insurance Co.
- Rec. from I. Tax dept

$\boxed{\text{SRACHIJ}}$

last yr T/over >1 Cr / 50 L
Business Profession

Indi / HUF → then Current year TDS cut ✓

Spiral

Date.......................

Co. operative

Co. op. Bank

other Co. op. society

TO Co. op.

NO TDS

Others

Time deposit

40K / 50K

NO TDS

TO any one

NO TDS

Co. operative

Last year T/over > 50 Cr.

This year TDS Cut

40K / 50K

Just to Recall

Contractor

I will pay the rent

SR ACHIJ

CS Professionals

VDA Bitcoin

(Reel star)

Social media influencer

Int on other than securities

कमीशन Commission

Spiral

Date........................

Commission

194 D → Defaulter Insurance Agent → Rate 5%

upper limit
Common = 15,000
~~Red~~

194 G → मैं Lottery बेचता हूँ

194 H → हमारा Commission

SRACHIT

upto 30.9.2024 — Rate 5%

1.10.24 onwards — Rate 2%

Section 194C Contractor

Payer

- India / HUF → Last year T/O > 1 Cr / 50 L → TDS cut ✓
- other → Compulsory TDS cut ✓

Payee ₹ receive

- Indi / HUF = 1%
- others = 2%
- Co. / LLP / firm etc.

Limits

Individual Payments > 30,000
or
Aggregate yearly > 1 lakh

} TDS cut ✓

Spiral

Date........................

Eg Mr. A - - - - -> to Mr. B
Pay Contractor

↓

T/over
> 1 Cr / 50 lakh
last year

(1) 25000
(2) 25000
(3) 25000
(4) 25000
1 lakh

TDS Cut ??

Individual > 30,000 NO
Agg > 1 lakh NO
NO TDS

if one more pay 20,000

Total 120000
TDS ?? yes
Rate ?? 1% ← Receiver Indi
Amt ??
1.2l x 1% = 1200 TDS

Pay
20,000
(1200)
18800 Pay

Lec 3 2 April

Date........................

* No TDS u/s 194C (TDS cut nai karna)

(i) Paying to a transporter having max. 10 Vehicles & his PAN is available with the payer

(ii) Contractor for Personal purpose

194C & 194J

Section 194 & 194BB

Lottery winning — Horse race winning ⇒ 10000 aggregate → 30%

Section 194BA online Money gaming

→ 30% TDS on net winnings

Section 194DA life insurance Maturity

upper limit 99,999 → No TDS

Rate

upto 30.9.2024 — 5%

1.10.2024 Onwards — 2%

Section 194E NR sports person / Entertainers

Rate = 20%

Spiral

Date........................

Section 194 I → Rent Pay → >24000 Per year
- P & M — 2% TDS
- Land & Building, Furniture — 10% TDS

Individual / HUF = SRACHIJ

Section 194 IB Reverse of SRACHIJ

Last year T/over upto 1 Cr/50 lakh

Indi / HUF
↓
Rent Pay >50,000 pm / Part of the month

TDS @ 5%.

• One time cut in a year

Rate
- upto 30.9.2024 — 5%
- 1.10.2024 — 2%

Eg 60,000 pm × 12m = 7,20,000

Assuming Rate = × 5%

36,000

60000
↓
Last Rent 60,000 − 36000 = 24000 pay

Section 194 IA Immovable property sell >50 lakh

TDS @ 1%.

$\underbrace{\text{SDV or SV}}_{\text{Higher}}$

TDS cut ✓

Multiple transferor / Transferee → check 50l in aggregate

Spiral

Date........................

Section 194 LA Compulsory Acq. property

> 2.5 Lakh F.Y.

TDS @ 10%

Section 194 IC Joint development Agreement (JDA)

Rate = 10%

* **Section 194 N** Cash withdrawals [over & above TDS]

↓

ITR defaulter

↓

All last 3years ITR default ?? Time limit expire.

- Yes
  - upto 20l — NO TDS
  - >20l upto 1Cr (→ 3Cr) ↓ 2% (20l se Jyada 3Cr se Kam)
  - >1Cr (Co-op → 3Cr) ↓ 5% (1 Cr se Jyada 3 Cr se Kam)
- NO
  - upto 1Cr (— 3Cr.) NO TDS (1Cr se Jyada 3Cr se Kam)
  - >1Cr. (→ 3Cr) @ 2% (1Cr se Jyada 3Cr se Kam)

NO TDS :- If Cash withdrawan by Banks / Govt. / APMC agent / white Label ATM

Spiral

Lec 4 2 April

Date........................

Eg :- ITR defaulter in last 3 years
Cash withdrawal in PY 24-25
1.09 Crores
Find TDS deductable

1.09 Crores — over & above TDS cut ✓

- 1.09 Cr to 1 Cr } → 9l × 5% = 45000 (+)
- 1 Cr to 20l } 80l × 2% = 1.6l
- 20l to 0 } ~~80l~~ Nil

Total = 2,05,000

Section 194 O E-Commerce operator

Payer → Payee

- Payer: E-Commerce operator
- Payee:
  - Indi/HUF (Gross Sales)
    - upto 5 lakh: NO TDS
    - >5 lakh
      - 30.9.2024: 1%
      - 1.10.2024: 0.1%
  - other → Compulsory TDS
    - 30.9.2024: 1%
    - 1.10.2024: 0.1%

If PAN not furnished → 5% TDS

Spiral

Date........................

Section 194 P Pension

- Resident → min 75 years
- Only Pension & Int. income
- Same Account

~~upto 5l/7l~~ → No tax

> 5l/7l

No Rebate

So, Bank to deduct TDS as per slab rate

Benefit → No need to file ITR

Section 194 Q Buyer @ 0.1 % Over & above

Last yr T/over > 10 Cr. ~~22-23~~ 23-24

Buyer ← Purchase > 50 l

24-25 ~~23-24~~

Over & above @ 0.1 %

Like 3l

3l × 0.1 %

= 300rs.

If no PAN = TDS @ 5 %

Section 194 J Professionals fees, Technical fees, Royalty, Non Compete fees

[upper limit ₹30,000 in each Category]

Directors Remunerath

↓

Compulsory TDS

- SR ACHIJ applicable
- Personal purpose = NO TDS (194C & 194J)

- Technical = 2%
- Movie → Royalty = 2%
- Call Centre = 2%
- Remaining all = 10 %

Spiral

Date.......................

Section 194 R Reels → social Media influencer

(SR ACHIJ) > 20 000 TDS @ 10 %.

Section 194 S Payment for Virtual digit Assets

Eg Bitcoin Normally $\boxed{\text{TDS @ 1 \%}}$

Threshold limit (upper limit)

[Payer] Indi & HUF — other

Last yr T/O upto 1 Cr / 50 lakh — or — NO Income under PGBP — other Case

Limit > 50,000 1 %.

other → > 10,000 1 % TDS

Section 194M Reverse of ~~A~~CHIJ (Contractor, commission)

Indi / HUF — Last year upto 1 Cr / 50 l — Pay → Comm, Contractor, ~~profe fees~~

> 50 l TDS @ 5 %.

Section 194 Payment to a Partner

P. firm → Partner

Remuneration / Int. / Salary / Bonus Commission

Spiral

Date........................

upto 20,000
↓
No TDS

>20,000
TDS @ 10%

Default

Section 206AA
↓
Pan not furnished
↓
- IT Act provision
- Finance Act Rate
- 20%

} higher ↑ TDS cut

Section 206AB
↓
last 1 year ITR default
+
TDS + TCS min 50,000
↓
- IT Rate x2 (double)
- Finance Act x2 (double)
- 5%

} higher ↑ TDS cut

194 OQ max = 5%

Payer Covered in both
All 6 Limits (Highest)

Pay ✓ TDS cut ✓

* Interest on TDS default

TDS default

TDS deduct ✗
Int. 1% pm or part of the Month

From deductible → to → Deducted

TDS deduct ✓
but deposit ✗
1.5% pm or Part of the month

From deducted → to → paid

Spiral

Date.........................

Case(1) Amount paid to Mr. Yash as professional fees ₹ 8 lakhs on 4^{th} June 2024.
The TDS was deducted on 16^{th} Sep 2024 & deposited with the govt. on 7^{th} Jan 2025

Find Int to be paid.

1.4.2024 — 4 June 2024 Pay 8L Prof fees (194J) — TDS Cut 16 Sep. 2024 — TDS deposit 7 Jan 2025 — 31.3.2025

(deductiable)

default (2) Pay late

default (1) deduct nai kia, Karna tha.

TDS deductiable U/s 194J @ 10%.
Payment 8 lakh × 10% TDS = 80,000

1% pm or part of the month

4 June 2024 — 4 July 2024 — 4 Aug 2024 — 4 Sep 2024 — 16 Sep — 4 Oct 2024

(1) (2) (3) (4)

80,000 × 1% pm × 4m ⇒ $\boxed{3200}$

2nd default deduct

16 Sep 2024 → 16 Oct → 16 Nov → 16 Dec → 16 Jan — 7^{th} Jan 2025

(1) (2) (3) (4)

80,000 × 1.5% pm × 4m = $\boxed{4800}$

Spiral

Date.......................

Total int. 3200 + 4800 = $\boxed{8000}$

Lec 6 3 April

Advance Tax

2025 - 2026

Fin	Cumulative basis fin	Tax Estimate 10 Lakh	Pay
15 June 2025	15% → 12%	150000	150000 (+)
15 Sept 2025	45% → 36%	450000	3,00,000
15 Dec 2025	75%	750000	3,00,000
15 Mar 2025 → till 31st Pay	100%	10,00,000	250000

* Interest Calculation u/s 234B & 234C

234C Installment Pay default

		चल जाएगा	Late int. fin 1% pm
15 June	15%	12% तक No Int.	3 month
15 Sep	48%	36% तक No Int.	3 month
15 Dec	75%	No Relief	3 month
15 Mar	100%		1 month

→ Relief → if paid तक till 31st March = No Int.

Date........................

Que1 Total Tax estimate 10lakh $> 15\% = 1.5l$

(60k × 3m × 1% Int) Paid till 15 June 90,000 shortfall 60k

Find int. liability U/s 234C

step 1st → Int. to pay 15%

10lakh 15% = 1.5 lakh

but Actual paid (90,000)

Shortfall 60,000

60000 × 1% × 3m

= 1800

Que2 Tax estimate 10lakh

Paid till 15 June 1,30,000

Find int. liability

10 lakh

To pay 15%

10l × 15% = 150,000

Actual paid. = 130000

13% pay → because min 12%

1.3l ÷ 10lakh ∴ NO Interest

Que3 what if paid 1lakh

Required min. 15% = 1.5l

Pay = (100000)

Remaining 50,000

× 3month

× 1%

1500

Spiral

Date.......................

Que 4 Tax estimate 18 lakh
Paid till 15^{th} sep 2024 ₹ 7 lakh
Find int. lia. u/s 234C

To be paid 18 l × 45% = 810000
- relief min. 36% pay
18 l × 36% = 6,48,000
- Pay 7 lakh
min. 36% = No Int

Ques What if Paid 6 lakh

$\boxed{45\%}$ To pay 810000
Pay 6 lakh
210000 × 1% × 3 month
6300

$\boxed{234B}$

- Advance Tax → year end तक min 90% pay कर देता है
- If short fall

1st April se → int. start

1% pm / Part of the month
till you pay / till Assessment

Spiral

Date........................

Que 1 FY 24-25 Tax lia estimate 15 lakh
31st Mar 2025 तक 11,80,000
Remaining pay 7th July 2025

Find int u/s 234B

15 lakh × 90% = 13.5 lakh तक
No Interest

but Pay 11.8 lakh → 1 Ap. 2025] 4 month.
ideally 15 lakh July
(11.8 l)
3,20,000 × 1% pm × 4m

⇒ 12800 interest