

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

* Section 192 Salary → TDS Cut

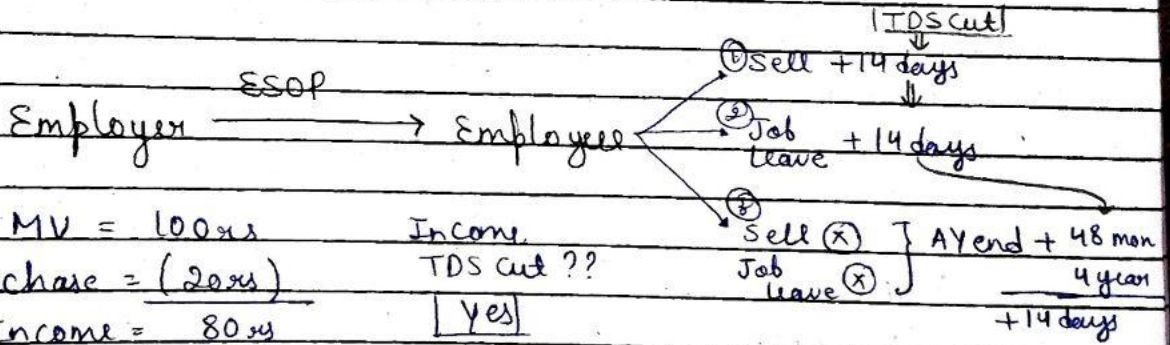
Average rate of tax

Eg Net Salary 10 lakh	
Tax liability, old Regime	5L x 20%
112500	2.5L x 5%
+ 4% HEE	2.5
<u>117000</u>	0

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

80000pm x 11.7%

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



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

Income
TDS cut ??
Yes

Eg PY 23-24 Shares sec.
AY 24-25 + 4 year
31.3.2029 + 14 days

* Section 192A RPF withdrawal

after 5 years

Exempt
NO TDS (X)

within 5 years

upto
49,999
NO TDS (X)

50,000 or more
↓
10% TDS (✓)

Section 194 Pg 13.5
Shares

Shares invest

↓
Dividend

• Dividend upto ₹5000
in a FY

NO TDS

To Individual
Cash (X)

Per
Company
Co.
wise

Calculation same

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

Section 194K
Mutual fund

Growth

Dividend
yielding
M.fund

Mutual fund

↓
Dividend
Rec.

• other person
firm / HUF etc
↳ Compulsory TDS (✓)

* Section 193 Interest on securities Pg 13.4

Rate \rightarrow 10%

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

Interest upto 10,000 ₹ \rightarrow No TDS

- widely held Company
Debentures invest
Resident, Individual / HUF
Bank A/c payee cheque \rightarrow No TDS
5000 ₹

NO TDS :-

- (a) Security of CG / SG
- (b) Payable to LIC / GIC / Insurance Companies
- (c) special purpose vehicles to \rightarrow Business trust

* Section 194A Interest on other than securities

Rate \rightarrow 10%

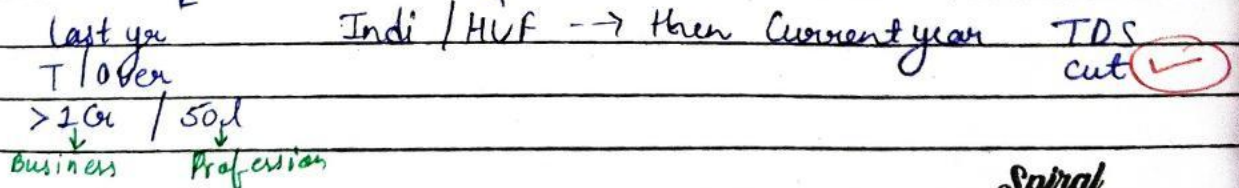
No TDS :-

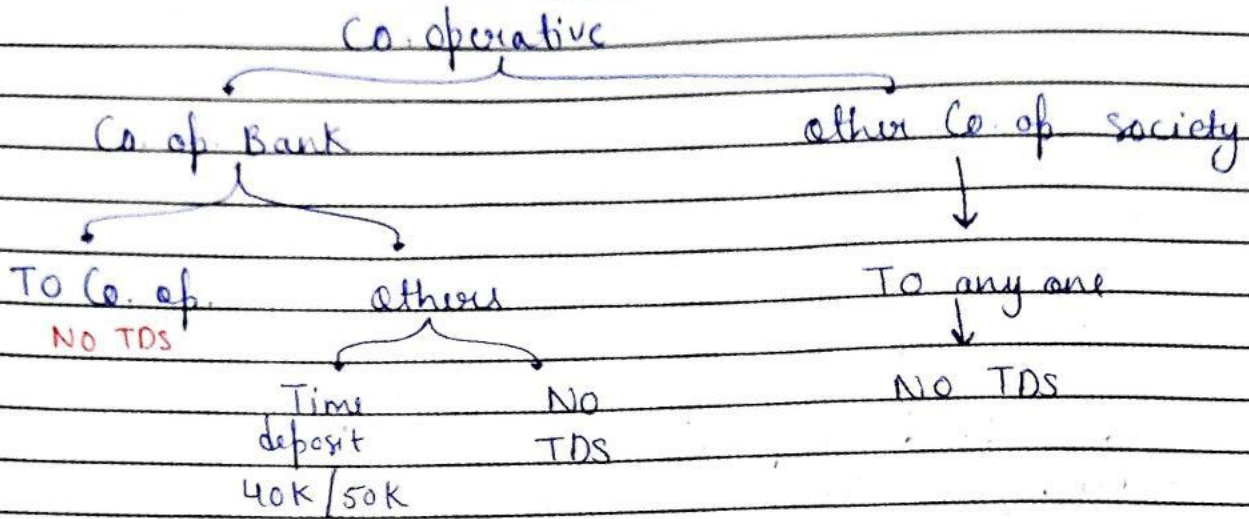
- Bank \rightarrow 40,000
- 'R' senior \rightarrow 50,000
- Other cases \rightarrow 5,000

} upper limit

- Govt. bonds
- To सरकार
- LIC / Insurance Co.
- Rec. from I. Tax dept

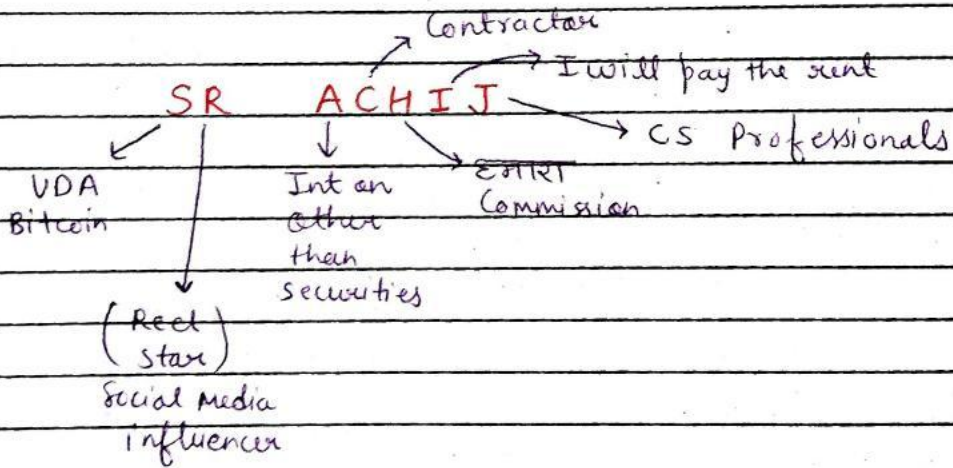
SRACHIJ

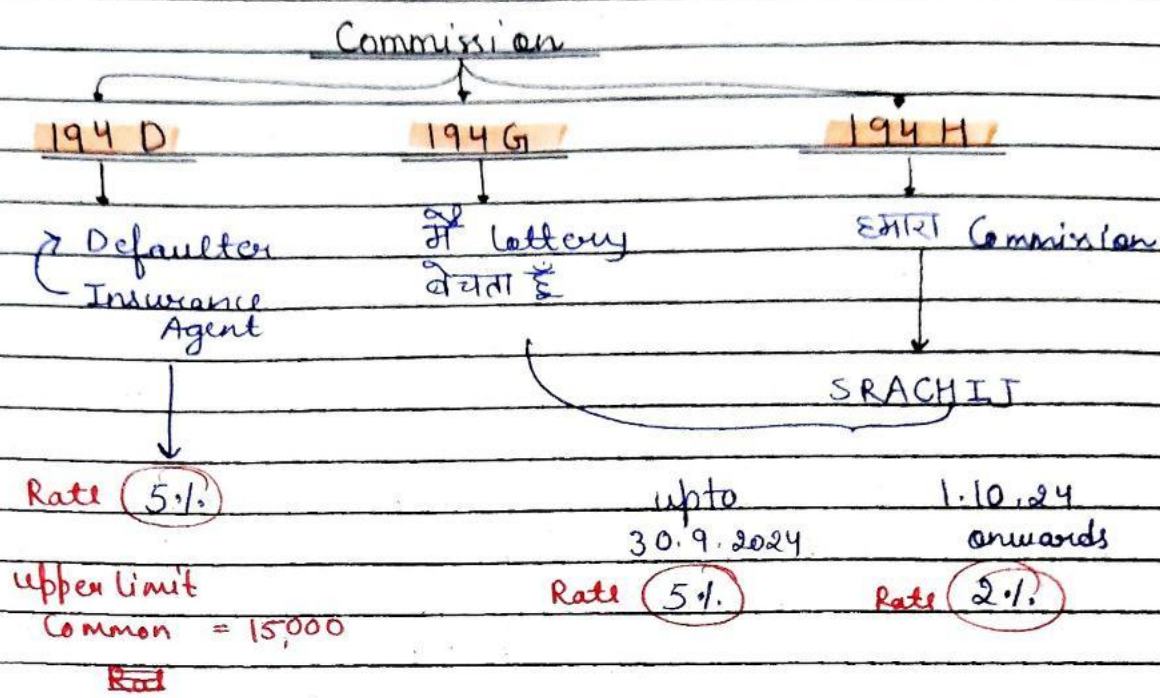




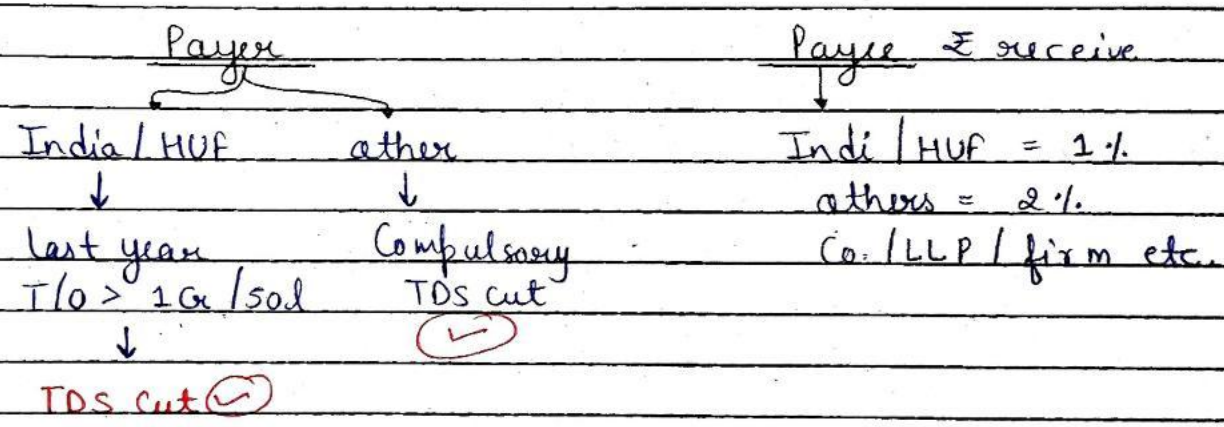
Co-operative
Last year T/over > 50 Cr.
This year TDS cut (40K/50K)

Just to Recall





Section 194C Contractor



Limits

Individual Payments > 30,000 } TDS cut ✓
 (or)
 Aggregate yearly > 1 lakh }

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 1,20,000

Pay

20,000

(1,200)

TDS ??

yes

Rate ??

1%

Receiver Indi

Amt ??

18800

Pay (✓)

$1.21 \times 1\% = 1200$ TDS (✓)

* 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%

Date.....

Section 194 I

→ Rent Pay → > 24000 Per year

- PBM 2% TDS
- Land & Building, Furniture 10% TDS

Individual / HUF = SRACHIT

Section 194 IB

Reverse of SRACHIT

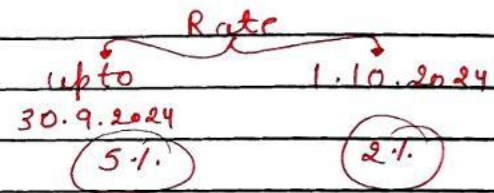
Last year T/over upto 1Cr/50lakh

Indi / HUF

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

TDS @ 5%

• One time Cut in a year



[Eg] 60,000 pm x 12m = 7,20,000

Assuming Rate x 5%

60000
↓
36000

Least Rent 60,000 - 36,000 = 24,000 pay

Section 194 IA

Immovable property sell

> 50lakh

TDS @ 1%

SDV or SV

Higher

TDS cut (✓)

Multiple transferor / Transferee → check 50l in aggregr **Spiral**

Section 194 LA Compulsory Acq. property

> 2.5 Lakh F.Y.

TDS @ 10%

Section 194 IC Joint development Agreement (JDA)

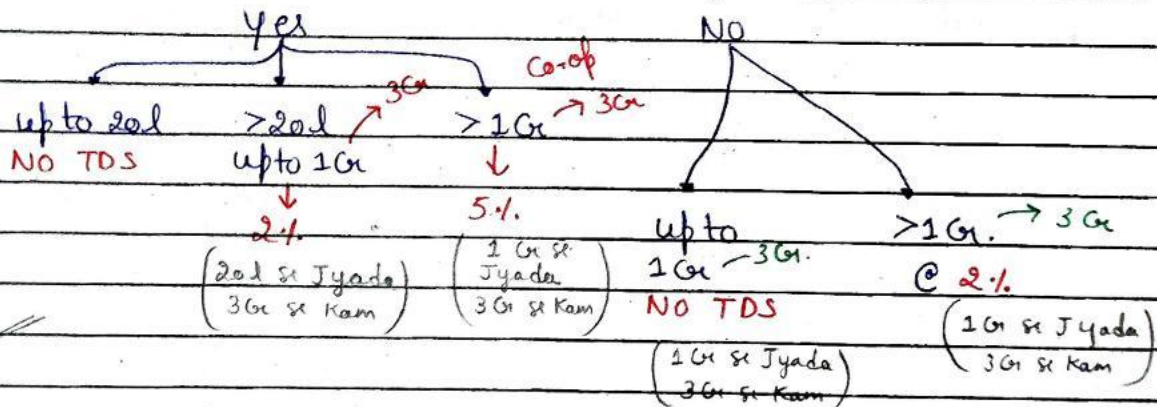
Rate = 10%

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

ITR defaulter

All last 3 years ITR default??

Time limit expire -



NO TDS :- If Cash withdrawn by Banks / Govt. / APMC agent / white label ATM

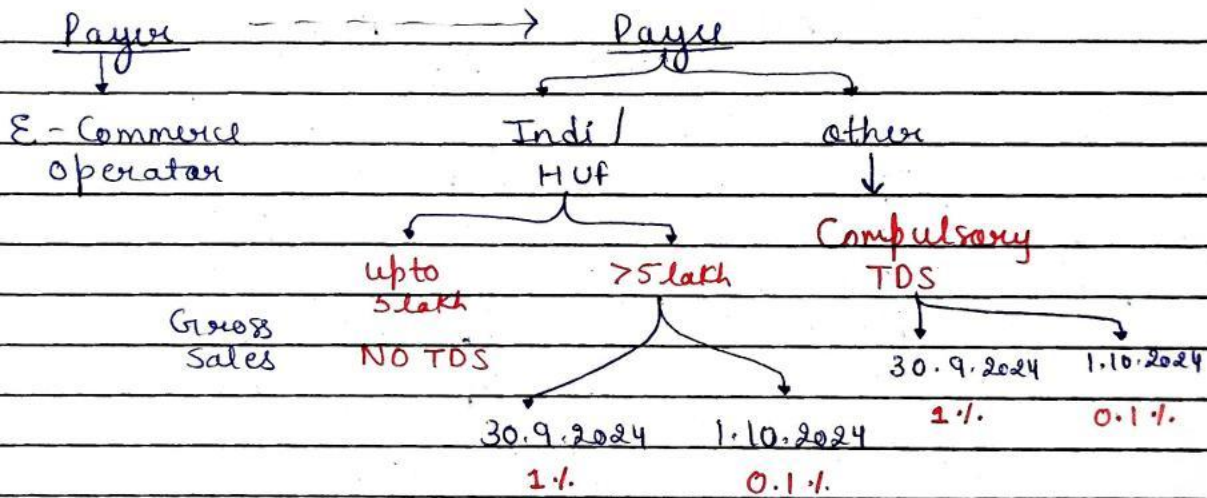
Lec 4 2 April

Date.....

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

	1.09 Grosses	over & above TDS cut (✓)
100	} → 90 x 5% =	45000 (+)
200	} 80 x 2% =	1.60
0	} 200 Nil	<u>205,000</u>

Section 194O E-Commerce operator



If PAN not furnished → 5% TDS

Section 194 P Pension

- Resident → min 75 years
 - Only Pension & Int. income
 - Same Account
- $\left. \begin{array}{l} \text{upto } 5l/7l \\ > 5l/7l \end{array} \right\} \text{No tax}$
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 > 10Cr.
~~22-23~~ 23-24
 Buyer ← Purchase > 50l
~~24-25~~ 24-25
 over & above @ 0.1%.

Like 3l

If no PAN = TDS @ 5%
 $3l \times 0.1\% = 3000rs.$

Section 194 J Professionals fees, Tech-nical fees, Royalty, Non complete fees

Directors Remuneratⁿ
 ↓
 Compulsory TDS
 Upper limit ₹ 30,000 in each Category

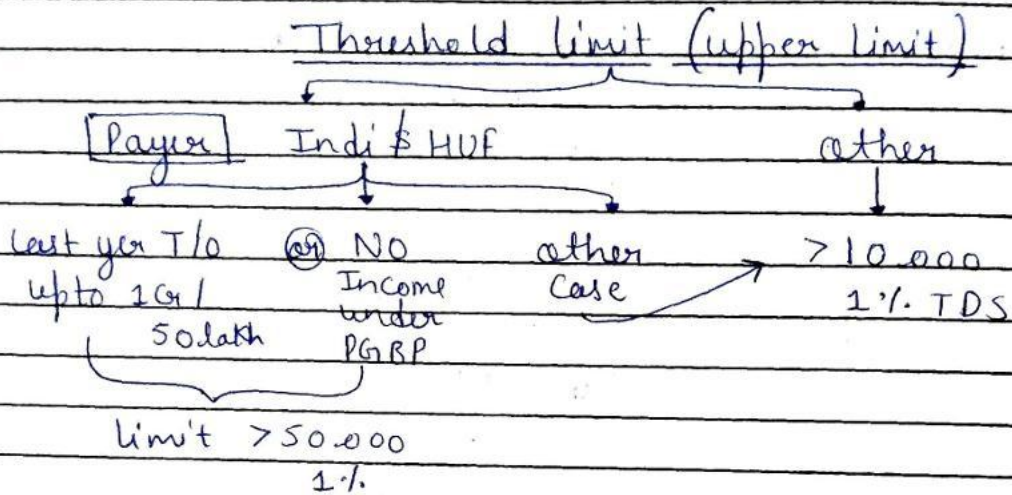
- SR ACHIT applicable ✓
- Personal purpose = NO TDS (194C & 194J) ✗
- Technical = 2%
- Movie → Royalty = 2%
- Call Centre = 2%
- Remaining all = 10%

Section 194 R Reels → social Media influencers

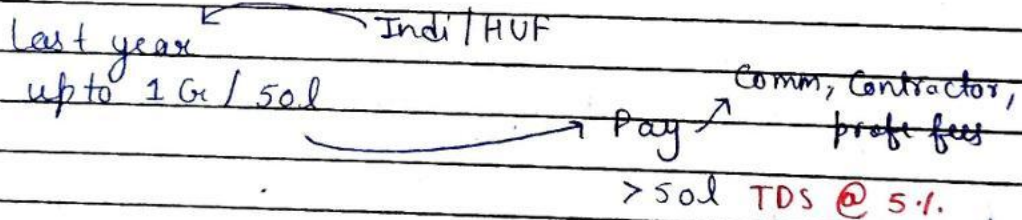
(SR ACHIJ) > 20,000 TDS @ 10%.

Section 194 S Payment for Virtual digit Assets

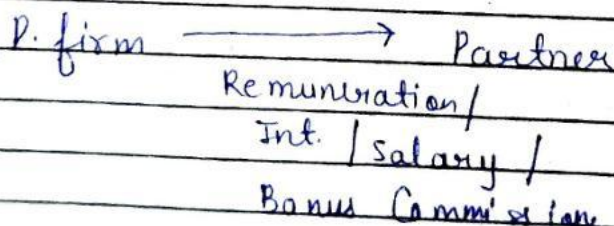
Eg Bitcoin Normally TDS @ 1%



Section 194 M Reverse of ~~ACHIJ~~ ^{Contractor} ^{Comm, Contractor}



Section 194 Payment to a Partner



up to 20,000
↓
No TDS
> 20,000
TDS @ 10%

Default

Section 206AA

Pan not furnished

- IT Act provision.
- Finance Act Rate
- 20%

} higher ↑
TDS cut

194 OQ max = 5%

Section 206AB

last 1 year ITR default
⊕

TDS + TCS min 50,000

- IT Rate ^{double} x2
- Finance Act ^{double} x2
- 5%

} higher ↑
TDS cut

Payee Covered in both
All 6 limits (Highest)

Pay (←) TDS cut (→)

* Interest on TDS default

TDS default

TDS deduct (X)
Int. 1% pm (or) part of the month

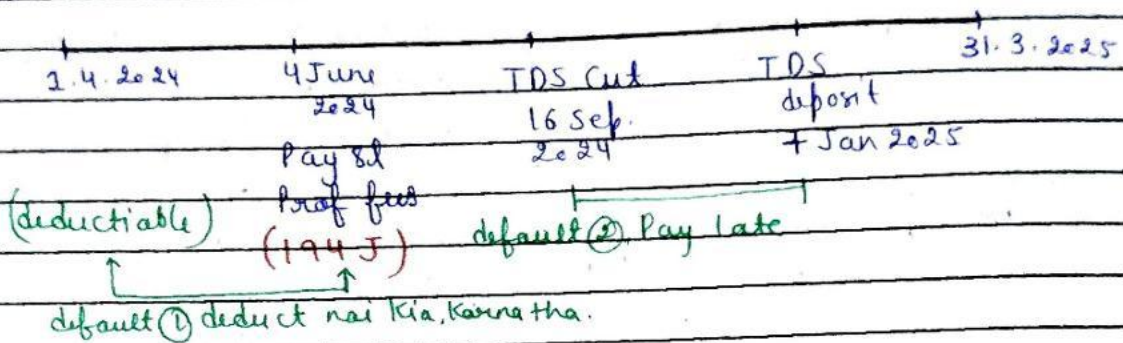
TDS deduct (✓)
but deposit (X)
1.5% pm (or) Part of the month

From → to → Deducted
deductible

from deducted → to → paid

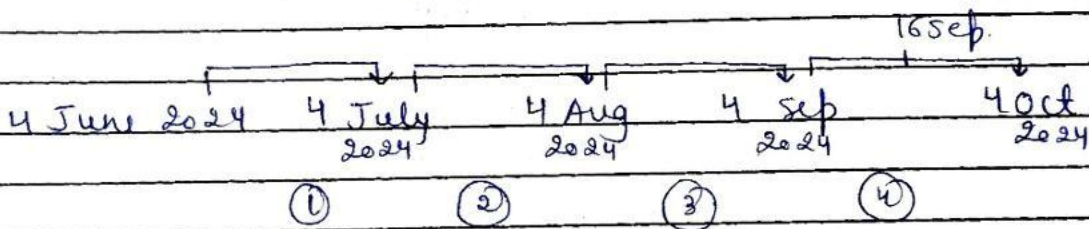
Case (1) Amount paid to Mr. Yash as professional fees ₹ 8.lakhs on 4th June 2024.
 The TDS was deducted on 16th Sep 2024 & deposited with the govt. on 7th Jan 2025

Find Int to be paid.



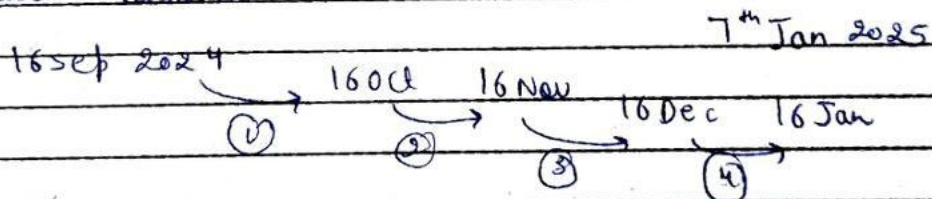
TDS deductible u/s 194J @ 10%.
 Payment 8.lakh x 10% TDS = 80,000

1% p.m @ part of the month



$$80,000 \times 1\% \text{ p.m} \times 24 \text{ m} \Rightarrow \boxed{3200}$$

2nd default deduct



$$80,000 \times 1.5\% \text{ p.m} \times 4 \text{ m} = \boxed{4800}$$

Date.....

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

Lec 6 3 April

Advance Tax

2025-2026

Fin	Cumulative basis fin	Tax Estimate to lakh	Pay
15 June 2025	15% → 12%	150000	150000 ⑦
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 v/s 234B & 234C

234C Installment ^{pay} ^ default

Date	Fin %	Relief	Late int. fin
15 June	15%	12% Net No Int.	1% pm 3 month
15 Sep	48%	36% Net No Int.	3 month
15 Dec	75%	No Relief	3 month
15 Mar	100%	No Relief	1 month

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

Que 1 Total Tax estimate 10 lakh $\rightarrow 15\% = 1.5\text{l}$

(60k x 3m) Paid till 15 June 90,000 shortfall 60k
 2% Int Find int. liability U/s 234C.

step 1st \rightarrow Int. to pay 15%

10 lakh 15% = 1.5 lakh

but Actual paid (90,000)

shortfall 60,000

60,000 X 2% X 3m

= 1800

Que 2 Tax estimate 10 lakh

Paid till 15 June 1,30,000

Find int. liability

10 lakh

To pay 15%

10l x 15% = 1,50,000

Actual paid. = 1,30,000

13% pay \leftarrow

1.3l \div 10 lakh \leftarrow

\therefore NO Interest

\rightarrow because min 12%

Que 3 what if paid 1 lakh

Required min. 15%

= 1.5l

pay

= (1,00,000)

Remaining

50,000

X 3month

X 2%

1500

Que 4 Tax estimate 18 lakh

Paid till 15th sep 2024 ₹ 7 lakh

Find int. lia. u/s 234C

To be paid 18l x 45% = 810000

• relief min. 36% pay

18l x 36% = 6,48,000

• Pay 7lakh

min. 36% = No Int

Que 5 what if Paid 6lakh

[45%] To pay 810000

Pay 6lakh

210000 x 1% x 3month

6300

[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

till you pay / Assessment

Date.....

Que 1 FY 24-25 Tax lia estimate 15 lakh

31st Mar 2025 dt 11,80,000

Remaining pay 7th July 2025

Find int v/s 234B

15 lakh x 90% = 13.5 lakh dt

but pay 11.8 lakh
ideally 15 lakh
(11.8l)

No Interest
→ 1 Apr. 2025 } 4 month.
July

$$3,20,000 \times 1\% \times 4m$$

pm

⇒ 12800 interest