

Chapter 16 TDS & TCS ≠

TDS Summary Part I

S.No	Sections	Type	Ceiling	Rate	PoT	Payer	Payee	Remarks
1	192	Salary	BEL	Slab rate	Payment	Employer	Employee	SAT/12. NP – BEL or 20% w.e. higher
2	192A	Withdrawal of PF	≥ 50,000	10%	Payment	PFO	Ee	Filter removed always.
3	194DA	LIP maturity	≥1,00,000	5%	Payment	Any	Any	
4	193	Interest on Securities	No ceiling	10%	GR	Any	Resident Person	
5	194	Dividend	5,000	10%	GR	Dom Co.	Resident Sh	LIC etc – Son in law Payees ≠194
6	194A	Int (other than securities)	5,000 - GR 40,000- Int on FD 50,000 - SC	10%	GR	RICHAJ (Bank, PFI)	Any	Firm-→Partners [No TDS] Savings Bank – No TDS. Concept of Core Banking System (CBS). Payment of interest to bank ≠ 194A
7	194B, 194BB	Casual Winnings Horse Race	10,000	30%	Payment	Any	Any	What if Casual Winning in kind?
8	194C	Contract	30K/payment 100K/party	1%-Ind/HUF 2%-Others	GR	RICHAJ	Contractor	44AE ≠ 194C. Concept of Works Contract. 194C ≠personal purpose.
9	194D	Commission to Insurance Agents	15,000	5%	GR	Any	Any	-
10	194G	Commission to Lottery Agents	-----“-----	5%	GR	Any	Any	-
11	194H	Other Commission	----“-----	5%	GR	RICHAJ	Any	No TDS on Commission on Securities
12	194I	Rent	240K p.a.	2% – P&M 10% - Building	GR	RICHAJ	Resident	Per owner and not per property. GST clause.
13	194J	Professional Service	30K for each category	10% except technical, call centre and royalty on cinematography – 2%	GR	RICHAJ	Resident	No TDS for personal purpose u/s 194C,J &H

TDS Summary Part II

<u>S. No</u>	<u>Sections</u>	<u>Type</u>	<u>Ceiling</u>	<u>Rate</u>	<u>PoT</u>	<u>Payer</u>	<u>Payee</u>	<u>Remarks</u>
14	194E	NR Sports person/organsiation	NA	20%	GR	Any	NR Sports person/or g	-
15	194EE	NSS	2,500	10%	Payment	Any	Any	-
16	#194IA (Amendment)	Transfer of Immovable Property	SC or SDV ≥ 50lacs	1%	GR	Buyer	Seller	Other than agricultural land and 194IA. NP – 20% Limit is per prop ≠ per owner.
17	194IB	Payment of Rent	50,000p.m.	5%	Last month of year or tenancy or payment w.e. earlier	44AB x	Resident	NP – 20% but the TDS amount cannot exceed rent of the last month.
18	194IC	Specified Agreement 45(5A)	NA	10%	GR	Any	Any	NP 20%. If 194IC applicable then 194IA NA.
19	194LA	Compensation on CA (≠RAL and UAL)	2,50,000	10%	Payment	Any	Any	-
20	194K	Mutual Funds	≥ 5,000	10%	GR	Any	Any	-
21	194M	Personal Purpose for 194C,J,H	50,00,000 p.a.	5%	GR	Any	Any	-
22	*194N	Cash withdrawal	1 crore	2% on exceeding 1 Crore	Payment	Banker	Any	-
23	194O	e-commerce aggregator to e-commerce participant	≥ 5 lacs	1%	GR	OLA, Amazon,Zomato etc	Hotels, cab drivers etc	TDS to be deducted only for the sale of goods/service. NP – 5%. Direct Payment to Participant also added for 5 lacs threshold.

24	194Q	Residual head	50 lacs p.a.	0.1%	GR	Buyer having T.O.>10 Cr.- PPY	Any	NP -5%. ≠ any other section
25	194R	On benefits given to Business or Professionals <i>Salary not covered, why?</i>	20,000	10%	GR	RICHAJ	Any	Introduced recently so that recipient includes such income in ITR.

*if the recipient of amount has not filed ROI for 3 PPYs, then 194N:

20 lacs < Withdrawal ≤ 1 Crore – 2% on excess beyond 20 lacs

Withdrawal > 1 Crore – 5% on excess beyond 1 crore.

❖ **Summary of No PAN (NP) u/s 206AA:**

GR: 20% or specified rate, w.e. higher. (192, 194I, IA, IB,IC etc (mentioned for few but 20% is GR for all the sections if PAN is not provided u/s 206AA)

Also, a penalty of Rs 10,000.

Exception to GR:

194O and 194Q – 5%

192A - MMR

#Amendment:

194IA – SC or SDV we higher.

❖ **General Rule of Filters**

- ❖ 194 M – is not just for personal purposes of 19C,J and H but for all those payments on which 194C, J and H are NA. Very wide horizon. **Example:**

Payment of commission of Rs 60 lacs paid by payer not covered under 44AB in PPY shall be not covered by 194H as RICHAJ missing but shall be covered by 194M as payment in excess of Rs 50 lacs.

KSC