



## TDS (Tax Deduction at Source) RATES FOR FY 2021-22 (AY 2022-23)

Sl No.	Section of the Act	Nature of payment in brief	Exemption Limit (Rs.)	Rate %
				Average rate
1	192	Salaries		
2	192A	Payment of taxable accumulated balance of provident fund	50000	10
3	193	Interest on Securities	5000	10
4	194	Deemed Dividend	5000	10
5	194A	Interest other than interest on securities (by bank)	40000 / 50000* <small>(*Where the payee is Senior Citizen)</small>	10
6	194A	Interest other than interest on securities (by others)	5000	10
7	194B	Lottery/crossword Puzzle	10000 <small>(For NR's, TDS also to be deducted below 10000)</small>	30
8	194BB	Winning from horse race	10000 <small>(For NR's, TDS also to be deducted below 10000)</small>	30
9	194C	Contracts (Payments to Ind/HUF) Contracts (Payments to Others)	Single Contract 30000 Annual Limit 100000	1 2
10	194D 194DA	Insurance Commission Payment in respect of Life Insurance Policy	15000 100000	5 1
11	194EE	Payment out of deposits under NSS	2500	10
12	194F	Repurchase of units by MF/UTI	1000	20
13	194G	Commission on sale of lottery tickets	15000	5
14	194H	Commission or brokerage	15000	5
15	194I	Rent (Land and Building), Furniture and fitting	240000	10
16	194I	Rent (Plant & Machinery, Equipment)	240000	2
17	194IA	TDS on transfer of immovable property other than agricultural land	50lakh	1
18	194IB	TDS on Rent paid by every Ind/HUF having Business Turnover less than Rs.1 Crore or Professional Turnover less than Rs.25 lacs	50000 per month	5

19	194IC	Payment of under Joint Development Agreements	NIL	10
20	194J	Professional/royalty and non – compete fees	30000	10
21	194J	Technical charges/Call Centre/Royalty relating to Cinematographic film	30000	2
22	194J(1)(ba)	Any remuneration or commission paid to director of the company other than those on which tax is deductible u/s 192	NIL	10
23	194LA	Compensation on compulsory acquisition of immovable property other than agricultural land	250000	10
24	194K	Income from Mutual Funds	5000	10
25	194M	Payment of certain sums by Individuals, HUF for carrying out any work other than those who are required to deduct tax u/s 194C,194H or 194J	50,00,000	5
26	194N	Payment of certain amounts in cash by person (banking company, co-operative society, post office) to any recipient from one or more accounts maintained by the recipient other than the government, any banking co., business correspondent of a banking co., any ATM operator of a banking co. or as may be notified by CG)	1,00,00,000 (20lacs for those persons who have not filed return of income (ITR) for three previous years immediately preceding PY)	2 (5% for those persons who have not filed return of income (ITR) for three previous years immediately preceding PY & amount of withdrawal > 1cr)
27	194-O	Payment or credit of amount by the e-commerce operator to ecommerce participant	5,00,000	1
28	194Q	Payment to resident for purchase of goods of the aggregate value exceeding Rs. 50 lakhs (T/O of Buyer Exceeds 10cr in PY)	50,00,000	0.1

## **TDS**

### **Notes:**

1. **Yearly Limit u/s 194C:** Where the aggregate of the amounts paid/credited or likely to be paid/credited to Contractor or Sub-contractor exceeds Rs.1,00,000 during the financial year, TDS has to be deducted u/s 194C.

2. **TDS at higher rate i.e. 20%** has to be deducted if the deductee does not provide PAN to the deductor. However no higher deduction in case of non-resident not having PAN provided they submit alternate document which may be prescribed.

3. **TDS on Payment of Transport Charges [SECTION 194C]:** Non-deduction of tax shall be applicable only to the payment of transportation charges made to a person who does not own more than 10 goods carriage at any time during the previous year, and who has furnished a declaration of the same along with his PAN.

Hence TDS is required to be deducted on payment of transportation charges in respect of plying, hiring or leasing of goods for payments made to a person who owns more than 10 goods carriages, irrespective of whether he has furnished PAN or not.

4. **Surcharge on tax is not deductible/collectible** at source in case of **resident** individual/HUF /Firm/ AOP / BOI/ Domestic Company in respect of payment of **income other than salary**.

5. **Surcharge on TDS on salary** is applicable if taxable salary is between Rs. 50 Lakhs to Rs. 1 Crore @ 10% and on salary exceeding Rs.1 Crore @ 15 %

6. **Health & Education Cess** is not deductible/collectible at source in case of resident Individual/HUF/Firm/ AOP/ BOI/ Domestic Company in respect of payment of **income other than salary**.

- Health & Education Cess @ 4% is deductible at source in case of payment of salary to any resident individual.
- Health & Education Cess @ 4% is deductible at source in case of non-residents and foreign company.

7. **TDS by Individual and HUF (Non Audit) case not deductible:** An Individual or a Family whose **total sales, gross receipts or turnover** from business or profession carried on by him does not exceeds the monetary limits of tax audit specified under Clause (a) or (b) of Sec.44AB during the **immediately preceding financial year** shall not be liable to deduct tax u/s194A, 194C, 194H, 194I & 194J subject to provisions of section 194IB.