

TDS Rate Chart For Financial year 2019-20 and Financial year 2020-21

Entities (both corporate and non-corporate deductors) making payments (specified under Income Tax Act) to third parties (deductees) are required to deduct tax at source (Tax Deducted at Source -TDS) from these payments and deposit the same at the mentioned time. Then furnish TDS returns containing details of deductee(s) and challan details relating to deposit of tax to ITD.

Finance Minister has presented Union Finance Budget on 01st February 2020. In this Budget FM has made various changes in TDS provisions and Introduces two New TDS Sections i.e. Section 194K and Section 194O which provides TDS on Mutual Fund Income and TDS on E-Commerce Transactions.

There were also changes in few existing sections of TDS which includes amendment in Section 194J by which TDS on Technical Services been reduced to 2%.

While checking TDS for finalization of FY 2019-20 & and deducting for FY 2020-21, consider the following rate of Interest . In case of NON – Resident TDS provision is governed by Sec 195 Payment of any other sum to a Non-resident .

Sec No	Particular	TDS Rate for the	
		AY 2020-21	AY20 21-22
<b>Sec 192 A</b>	<b>Payment of accumulated balance of provident fund which is taxable in the hands of an employee. (Monetary Limit – Rs 50,000)</b>	10%	10%
<b>Sec 192 B</b>	<b>Payment of salary:</b> Tax is to be deducted after computing total income and tax there on of individual Person and to be deducted equally though the year.	Normal slab Rate	
<b>Sec 194 A</b>	<b>Interest other than interest on securities - Others.</b> interest on unsecured loan / Secured Loan , FD/ RD/ SB <b>(Monetary Limit – Rs 5,000)</b>	10%	10%
<b>Sec 194 A</b>	<b>Banks / Co-operative society engaged in business of banking / Post Office (Monetary Limit – Rs 40,000)</b>	10%	10%
<b>Sec 194 A</b>	<b>Senior citizen :</b> From FY 2018-19 onwards no TDS will be deducted on interest earned up to INR 50,000 by senior citizens. The interest amount should be earned from the following: <b>Deposits with banks or Deposits with post offices</b> <b>Fixed deposit schemes or Recurring deposit schemes (Monetary Limit – Rs 50,000)</b>	10%	10%
<b>Sec 194 C</b>	Payment to <b>contractor/sub-contractor</b> (Monetary Limit – Rs 30,000 per contract or Rs 1,00,000 for aggregate amount during the year) <b>a) For individual &amp; HUF</b> <b>b) Others (FIRM, Company, LLP etc)</b>	1% 2%	1% 2%
<b>Sec 194D</b>	<b>Insurance commission :</b> (Monetary Limit – Rs 15,000)	5%	5%

Sec 194DA	Payment in respect of life insurance policy w.e.f. 1/9/2019, the tax shall be deducted on the amount of income comprised in insurance pay-out (Monetary Limit – Rs 1,00,000)	5%	5%
Sec 194 H	Commission or brokerage: (Monetary Limit – Rs 15,000)	5%	5%
Sec 194 I	Rent : (Monetary Limit – Rs 2,40,000)		
	a) Plant & Machinery and Equipment.	2%	2%
	b) Land or building or furniture or fitting.	10%	10%
Sec 194 IA	Payment on transfer of certain immovable property other than agricultural land (Monetary Limit – Consideration exceeding Rs 50,00,000)	1%	1%
Sec 194 IB	Payment of rent by individual or HUF not liable to tax audit : (Monetary Limit – Rent for the month or part of the month exceeds Rs 50,000) Note: This provision is applicable from June 1, 2017	5%	5%
Sec 194 IC	Payment of monetary consideration under Joint Development Agreements	10%	10%
Sec 194J	Payment for fees for Technical services Or Professional services or royalty etc .(Monetary Limit –Rs 30,000 p.a)		
	a) Cases, wherein, the payee is engaged in the business of the operation of Call Centre only (effective from 1st June 2017).	2%	2%
	b) In case of fees for technical services (not being a professional royalty where such royalty is in the nature of consideration for sale, distribution or exhibition of cinematographic film) (effective from 1st April 2020).	10%	2%
	c) Professional royalty where such royalty is in the nature of consideration for sale, distribution or exhibition of cinematographic film.	10%	10%
	d) In case of fees for any other professional services	10%	10%
	Note : In case the payee fails to furnish PAN then TDS to be deducted @ 20% .		

**Due Dates of payment.**

TDS deducted is to be paid on or before 7<sup>th</sup> of next month, and for March 30<sup>th</sup> April .

**TDS return type :**

Form 24 Q : Deductions made in case of salaried employees

Form 26Q: Deductions made in case of other than salaried employees.

Form 27Q: Deductions made in case of Non-Resident.

**TDS return due date :**

<b>Quarter Ending</b>	<b>Due Date for filing of Return for all deductors</b>
<b>30<sup>th</sup> June</b>	<b>31st July</b>
<b>30<sup>th</sup> September</b>	<b>31st October</b>
<b>31<sup>st</sup> December</b>	<b>31st January</b>
<b>31<sup>st</sup> March</b>	<b>31st May</b>

**Note :**

**If the TDS deducted and not paid within time stipulated then the assessee is liable for the Interest / Penal Interest.**

**If the TDS Return is not filed in specified time then the penalty per day is applicable.**

**If the TDS Deducted but not paid/deposited on or before filing of return of Income, then the expenses amount is disallowed while computing total Income of assessee.**