

## TDS Chart

**CHART SHOWING THE TDS RATES FOR VARIOUS SECTION OF THE INCOME-TAX ACT 1961  
TDS CHART FOR THE YEAR 1-4-2007 TO 31-3-2008.SAME CHART IS VALID FOR 2008-09**

Sl. No.	Section of Act	Nature of Payment in Brief	Rate for NonCompany%	Rate for Company%	Date within which TDS has to be remitted	Qtrly. Return Form No.
1.	192	Salaries	Average rate	-	Within the 7th of the next month	24Q
2.	193	Interest on Securities > Rs.10,000(upto 31/05/07 Rs. 2,500)	10	20	-do-	26Q
3.	194A	Interest other than Interest on securities > Rs.10,000 (upto 31/05/07 > Rs.5,000)	10	20	-do-	26Q
4.	194B	Lottery / Cross Word Puzzle > Rs.5,000	30	30	-do-	26Q
5.	194BB	Winnings from Horse Race > Rs.2,500	30	30	-do-	26Q
6.	194C(1)	Contracts > Rs.20,000)	2	2	-do-	26Q
7.	194C(2)	Sub-contracts/Advertisements > Rs.20,000	1	1	-do-	26Q
8.	194D	Insurance Commission > Rs.5,000	10	20	-do-	26Q
9.	194EE	Refund of NSS > Rs.2,500	20	-	On the day of deduction itself	26Q
10.	194F	Repurchase of units by MF/UTI	20	-	Within the 7th of the next month	26Q
11.	194G	Commission on sale of lottery tickets > Rs.1,000	10	10	-do-	26Q
12.	194H	Commission or Brokerage > Rs.2,500	10 (upto 31/05/07 – 5%)	10	-do-	26Q
13.	194I	Rent paid for a. Land b. Buildings c. Land appurtenant to a building(including factory building) d. Plant & Machinery e. Equipment f. Furniture & Fittings > Rs.1,20,000	15(Individual & HUF) 20(Others)	20	-do-	26Q
14.	194J	Professional/Technical charges/Royalty & Non-compete fees > Rs.20,000	10 (upto 31/05/07 – 5%)	5	-do-	26Q
15.	194LA	Compensation on acquisition of immovable property > Rs.1,00,000 w.e.f.01/10/2004	10	10	-do-	26Q
16.	195	Payment to non-residents	Rates in force	Rates in force	-do-	27Q

### NOTES

1. Where income referred in Sections 193, 194A, 194C, 194D, 194G, 194H, 194I & 194J is credited to account of payee as on date up to which accounts are made, TDS has to be deposited in Government Account within 2 months from the end of the month in which the date falls.

2. Where the aggregate of the amounts paid/credited or likely to be paid/credited exceeds Rs.50,000 during the financial year, TDS has to be made. Also where any sum credited/paid or likely to be credited/paid to Contactor or Sub-contractor exceeds Rs.20,000, TDS is to be made.
3. An Individual or a Hindu Undivided Family whose total sales, gross receipts or turnover from business or profession carried on by him exceeds the monetary limits under Clause (a) or (b) of Sec.44AB during the preceding financial year shall also be liable to deduct tax u/s.194A,194C, 194H, 194I & 194J.

### **TCS CHART FOR THE YEAR 1-4-2007 TO 31-3-2008**

Sl.No.	Nature of Goods	Rates in %
1.	Alcoholic liquor for human Consumption	1
2.	Tendu leaves	5
3.	Timber obtained under forest lease	2.5
4.	Timber obtained by any mode other than a forest lease	2.5
5.	Any other forest produce not being timber or tendu leaves	1
6.	Scrap	1
7.	Parking lot	2
8.	Toll plaza	2
9.	Mining & Quarrying	2

- Quarterly Statement for TCS to be filed in Form No.27EQ
- TCS is to be credited to Government Account within one week from the last date of the month in which collection is made.

#### **Notes :**

1. The TDS/TCS should be increased by surcharge at 10% in case of Individuals/HUF/Body of Individuals/Association of persons if the total income of the assessee exceeds or likely to exceed Rs.10,00,000
2. The TDS/TCS should be increased by surcharge at 10% in case of Firm and Domestic Company if the total income of the assessee exceeds or likely to exceed Rs.1,00,00,000
3. In the case of Company other than Domestic Company, the rate of surcharge is @ 2.5% of Income-tax, where the income or the aggregate of such income paid or likely to be paid exceeds Rs.1,00,00,000
3. The amount of Income-tax as increased by surcharge should be further increased by Education Cess of 3%. This applies to all assessees.
4. All deductors/collectors of Income-tax of Central and State Government Departments and all Corporate deductors, including Public & Private Sector Banks, LIC & Insurance Companies should file their Quarterly Statements of TDS/TCS in Computer Media at any of the TIN Facilitation Centres. The e-TDS Statement has to be accompanied by Form No.27A and e-TCS Statement to be accompanied by Form No.27B
5. Other deductors/collectors have the option of filing Quarterly Statements either in Electronic Media or Paper format before the TIN Facilitation Centres of NSDL.

6. The Due Dates for filing Quarterly Statements for TDS/TCS are as under:

For quarter ended	Due Dates
30/06/2007	15/07/2007
30/09/2007	15/10/2007
31/12/2007	15/01/2008
31/03/2008	30/04/2008

### **DUTIES OF TAX DEDUCTOR/COLLECTOR**

1. To apply for Tax Deduction Account Number (TAN) in form 49B, in duplicate at the designated TIN facilitation centers of NSDL (please see [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)), within one month from the end of the month in which tax was deducted.
2. To quote TAN (10 digit reformatted TAN) in all TDS/TCS challans, certificates, statements and other correspondence.
3. To deduct/collect tax at the prescribed rates at the time of every credit or payment, whichever is earlier, in respect of all liable transactions.
4. To remit the tax deducted/collected within the prescribed due dates by using challan no. ITNS 281 by quoting the TAN, jurisdiction AO code and relevant section of the Income-tax Act.
5. To issue TDS/TCS certificate, complete in all respects, within the prescribed time in Form No.16(TDS on salaries), 16A(other TDS) 27D( TCS).
6. To file TDS/TCS quarterly statements within the due date.
7. To mention PAN of all deductees in the TDS/TCS quarterly statements.

### **CONSEQUENCES OF DEFAULT**

#### **Failure to deduct or remit TDS /TCS(full or part)**

- Interest at the rates in force (12% p.a.) from the date on which tax was deductible/collectible to the date of payment to Government Account is chargeable.
- Penalty equal to the tax that was failed to be deducted/collected or remitted is leviable.

In case of failure to remit the tax deducted/collected, rigorous imprisonment ranging from 3 months to 7 years and fine can be levied.

#### **Failure to apply for TAN in time or Failure to quote allotted TAN or Wrong quoting of TAN**

- Penalty of Rs.10,000 is leviable u/s.272BB(for each failure)

#### **Failure to issue TDS/TCS certificate in time or Failure to submit form 15H/15G in time or Failure to furnish statement of prerequisites in time or Failure to file Quarterly Statements in time**

- For each type of failure, penalty of Rs.100/- per day for the period of default is leviable. Maximum penalty for each failure can be up to the amount of TDS/TCS.

### **GENERAL INFORMATION**

- Deduction at lower or nil rate requires certificate u/s.197, which will take effect from the day it is issued. It cannot be used retrospectively.
- If TDS/TCS certificate is lost, duplicate may be issued on a plain paper giving necessary details marking it as duplicate.
- Refund can be claimed by the deductee on filing of return of income.
- Even if the recipient of payment has shown it in his income-tax return and paid the taxes thereon, the deductor/collector who has failed to deduct/collect tax will be liable to pay interest and penalty

### **FACILITIES AVAILABLE ON [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)**

- List of TIN Facilitation Centres of NSDL
- Know your PAN & Know your TAN.
- Quarterly Statement Forms.
- FAQs on TDS/TCS
- Online application for PAN/TAN
- Detailed procedure for filing e-TDS/e-TCS Statement

This brochure should not be construed as an exhaustive statement of law. In case of doubt, reference should always be made to the relevant provisions of Income Tax Act, Rules or Notifications.