

TDS & TCS RATE CHART FY 2017-18

Sl. No	Section Of Act	Nature of Payment in brief	Threshold Limit	Rate %	
			From 01.04.17 to 31.03.18	HUF/IND	Others
1	192	Salaries	Salary income must be more than exemption limit after deductions	Average Rate	NA
1A	192A	Premature withdrawal from accumulated balance in Recognized Provident Fund	Rs. 50,000	10	NA
2	193	Interest on Debentures	(i) Indl or HUF : above Rs.5000 (ii) Others : any amount	10	10
3	194	Deemed dividend/ dividend not covered u/s 115 O	2500	10	10
4	194A	Interest other than Interest on securities, including RD Interest (by Banks/Co-operative Banks/Post Office/ Senior Citizens Savings Scheme)	10000	10	10
4A	194A	Interest other than Int. on securities (By others)	5000	10	10
5	194B	Lottery / Cross Word Puzzle/Card game/ Other game including in kind	10000	30	30

6	194BB	Winnings from Horse Race	10000	30	30
7	194C	Contracts	30000	1	2
8	194D	Insurance Commission	15000	5	5
9	194DA	Life Insurance Policy	100000	1	1
10	194E	Payments to non-resident sportsmen or sports associations	Any amount paid	20	20
11	194EE	Payments out of deposits under NSS	2500	10	-
12	194G	Commission on sale of lottery tickets	15000	5	5
13	194H	Commission or Brokerage	15000	5	5
14	194I	a)Rent (P & M , Equipment, furniture & fittings)	180000	2	2
		b)Rent (Land & building)	180000	10	10
15	194IA	Transfer of immovable property other than	50,00,000	1	1

		agricultural land			
16	194IB	Rent (Tenant has to deduct TDS) (Individuals who are not liable to Tax Audit)	50,000(per month)	5%	
17	194J	Professional/Technical charges/Royalty & Non-compete fees	30000	10	10
18	194J(1)(ba)	Any remuneration fees or commission paid to director of the company(other than salaries)	Any amount paid	10	10
19	194LA	Compensation on acquisition of immovable property (other than Agricultural land)	250000	10	10
20	195	Any payment to a Non-resident or a foreign company-chargeable to tax	Any amount paid	20% for long term capital gain and 30% for other payments OR DTAA rates whichever is less	20% for long term capital gain and 40% for other payments OR DTAA rates whichever is less

Note :

- Yearly limit u/s.194C : Also 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 made u/s.194C.
- The threshold limits mentioned are in respect of amounts paid/credited or likely to be paid or credited and therefore if the amount is likely to exceed the threshold limit during the financial year, TDS is to be deducted from Re1/-.
- TDS at higher rate ie., 20% has to be made if the deductee does not provide PAN to the deductor(read detail u/s.206AA). In case the rates in force or the average rate is higher, then tax is to be deducted at such higher rate in such cases. These cases are also to be reported in the TDS statement with the higher deduction flag.
- In case the deductee is a proprietary concern, then the TDS statement should contain the name of the proprietor and his PAN **and not the name of the proprietary concern.**
- No TDS on Goods Transport : No TDS u/s.194C on payments/credit for plying, hiring or leasing goods carriages on furnishing of his Permanent Account Number upto 31-05-2015. From 01-06-2015, No TDS to such person if he furnishes a declaration that he owns ten or less goods carriages during the year. These transactions are also to be reported in the TDS statement with the flag for transporters.
- Surcharge on Income-tax is not deductible/collectible at source in case of individual/HUF/Firm/AOP/BOI in respect of payment of income other than salary. In the case of Domestic Company, the rate of surcharge is 7% where the income or the aggregate of such income paid or likely to be paid is more than Rs.1 crore and less than Rs.10 crore and 12% if the income paid or likely to be paid exceeds Rs.10 crore. In case of company other than Domestic Company, the rate of surcharge is 2% of Income-tax, where the income or the aggregate of such income paid or likely to be paid is more than Rs.1 crore and less than Rs.10 crore and 5% if the income paid or likely to be paid exceeds Rs.10 crore.

- No Cess on payment made to resident : Education Cess is not deductible/collectible at source in case of resident Individual/HUF/Firm/AOP/BOI/Domestic Company in respect of payment of any income other than salary. In case of salary, Education Cess @2% plus Secondary & Higher Education Cess @1% is deductible at source.
- 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 (Rs.2 crore in case of business & Rs.50 lakhs in case of profession during financial year 2017-18) 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.
- Tax Credit Statement (Form No.26AS) can be viewed online by registering with www.tin-nsdl.com or www.incometaxindia.gov.in or www.tdscpc.gov.in or www.incometaxindiaefiling.gov.in
- In case of payments to Government, RBI, Mutual fund/s 10(23D) and corporation exempt from Income tax, no tax to be deducted as per section 196
- In case of payments to non residents Sections 194E, 194LB, 194LC and 195 apply. Provisions of section 206AA apply in case of non residents who do not have a PAN or do not furnish the correct PAN belonging to them.
- The challan cum statement to be used to remit tax u/s.194IA is 26QB and the TDS certificate is 16B.
- The challan cum statement to be used to remit tax u/s.194IB is 26QC and the TDS certificate is 16C.
- The jurisdictional Assessing Officer may be approached for any corrections to be made for challan data in 26QB.

TCS CHART FOR THE YEAR 01-04-2017 TO 31-03-2018

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	2.5
6	Scrap	1
7	Parking lot	2
8	Toll plaza	2
9	Mining & Quarrying	2
10	Minerals, being coal or lignite or iron ore	1%
11	Cash payment for Purchase of Bullion > 2,00,000 or Jewellery>5,00,000 or any other goods and services >2,00,000 if TDS provision is not applicable	1%
12	Where amount is received by cheque or any other mode on sale of MotorVehicle of the value exceeding Rs.10lacs	1%

Quarterly Statement for	Form in which to be filed
TDS on salaries	24Q
TDS on non salary payments to residents	26Q
TDS on non salary payments to non residents	27Q
TCS	27EQ

- TDS/TCS is to be credited to Government Account within seven days from the end of the month in which deduction/ collection is made in Form 281. In case of govt. collectors, on the same day of deduction or collection.

Notes :

- 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.
- All PAOs/ CDDOs to obtain Account Officers Identification Number (AIN)
- All PAOs/CDDOs who effect the book adjustment to fill Form 24G using the AIN.
- The PAOs/CDDOs of Central & State Govts have to file a monthly return in Form 24G electronically.
- All PAOs/CDDOs to intimate Book Identification Number to their DDO.
- Other deductors/collectors have to file quarterly electronic statements
- List if TIN Facilitation Centres are available on www.tin-nsdl.com & www.incometaxbengaluru.in
- TDS in respect of 194IA should be made online using 26QB
- Government DDOs may also view their BIN on TRACES or NSDL website.

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

For quarter ended	Due Dates for non-Govt	Due Dates for Govt deductors who remit by book adjustment
30/06/2017	31/07/2017	31/07/2017
30/09/2017	31/10/2017	31/10/2017
31/12/2017	31/01/2018	31/01/2018
31/03/2018	31/05/2018	31/05/2018

DUTIES OF TAX DEDUCTOR/COLLECTOR/PAY & ACCOUNTS OFFICER

- 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), within one month from the end of the month in which tax was deducted.
- To quote TAN (10 digit reformatted TAN) in all TDS/TCS challans, certificates, statements and other correspondence.
- 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.

- 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.
- The Pay & Accounts Officer(PAO) of Government Department shall upload Form 24G within 10 days from end of month of TDS. Failing which, penalty of Rs.100 per day is attracted. He should provide correct BIN number to each DDO under him.
- To ensure that correct BIN is mentioned in TDS statement or/and correct tax remittance particulars entered in the challan at the time of remittance and in the TDS statement to ensure seamless credit to deductees.
- To ensure that taxes of different types of payments are not clubbed. Similarly to ensure that payments pertaining to different quarters or different financial years are not clubbed.
- In case of delay in remittance of taxes to remit the interest u/s 201(1A) at the time of filing the return, section wise, quarter wise to ensure that no demand is raised.
- To register the TAN on the website www.tin-nsdl.com
- To issue TDS certificates generated from the TRACES website by logging in using the user id and password given for TAN registration.
- To issue annual Form 16 in case of Salaries, by 31st May of the year following the financial year. In case employee is transferred/cessation of employment to issue Form No.16 within 15 days of filing Quarterly return for the quarter in which he was transferred/cessation of employment.
- To issue Quarterly Form 16A within 15 days from the due date for furnishing the Quarterly returns.

- To file TDS/TCS quarterly statements within the due date, as mentioned above.
- To mention PAN of all deductees in the TDS/TCS quarterly statements.
- To deduct tax at source @ 20% in case PAN of deductee is not available or incorrect or does not belong to deductee.
- To ensure that all bills, vouchers & correspondences contain PAN of deductee.

- To quote computer generated number on certificate u/s.197 if tax is deducted at lower rate/not deducted based on such authorization.

CONSEQUENCES OF DEFAULT

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

- Interest at the rates in force (1% per month or part of month) from the date on which tax was deductible/collectible to the date on which tax was deducted/collected. 1.5% per month or part of month from date on which tax was deducted to date on which taxes remitted.
- 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 **within time**, rigorous imprisonment ranging from 3 months to 7 years and fine can be levied. There will be a charge on all the assets of the Deductor to the extent of the dues and interest levied u/s.201(1A). Non-remittance of taxes deducted shall create a charge on assets of the deductor to the extent of tax and interest.

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 perquisites in time or Failure to file Quarterly Statements in time

- ✓ In case of statements for Financial Year 2012-13, a mandatory penal fee of Rs 200/- per day of default in case of late filing to be remitted before filing the TDS statement u/s 234E
- ✓ In the case of any inaccuracy in the statements filed or the delay in filing of statements a penalty of Rs 10000 to Rs 1 Lakh is leviable u/s 271 H of the Act.
- ✓ 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 of issue of such certificate. It cannot be used retrospectively.
- Certificate will bear a computer generated number.
- 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
- Furnishing of false or incorrect information in Form 15G/15H attracts penalty u/s 271 I

FACILITIES AVAILABLE ON www.incometaxindia.gov.in/ www.tin-nsdl.com/ www.tdscpc.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
- ❖ Form 26AS
- ❖ TAN Registration
- ❖ Quarterly Statement status
- ❖ TDS defaults
- ❖ Challan status inquiry

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.

For further information, please contact

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