

(A) TDS Rates:

Rates for tax deduction at source for Financial year 2020-21 (in %):

Please note that TDS rates for residents under various sections have been reduced from 14-05-2020. Please refer our website's "What's new" section on COVID-19 measures for detailed information on the new rates.

Particulars	All payees other than company			Payee is a company	
	Resident in India (please see note above)	Non Resident Indian (NRI)*	Other Non Residents*	Domestic company (please see note above)	Other than Domestic company*
Section 192: Payment of salary	Normal Slab Rate	Normal Slab Rate	Normal Slab Rate	Not applicable	Not applicable
Section 192A: Payment of accumulated balance of provident fund which is taxable in the hands of an employee. (Exceeding Rs. 50,000 pa)	10	10	10	Not applicable	Not applicable
Section 193: Interest on securities		Not applicable.	Not applicable.		Not applicable.
a) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	10	See Section 195.	See Section 195.	10	See Section 195.
b) any debentures issued by a company where such debentures are listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	10			10	
c) any security of the Central or State Government; (Exceeding Rs. 10,000 pa)	10			10	
[i.e. 8% Savings (Taxable) Bonds, 2003 and 7.75% Saving (Taxable) Bonds, 2018]					
d) interest on any other security	10			10	
Section 194: Income by way of Dividends	10	Not applicable.	Not applicable.	10	Not applicable.
(No TDS up to Rs.5,000/- for Resident Individuals)		See Section 195.	See Section 195.		See Section 195.

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	Resident in India (please see note above)	Non Resident Indian (NRI)*	Other Non Residents*	Domestic company (please see note above)	Other than Domestic company*
Section 194A: Income by way of interest other than "Interest on securities" (Where the payer is bank/co-operative bank/post office - Exceeding Rs. 40,000 pa {Rs. 50,000 pa in case of senior citizens}) (In any other case – Exceeding Rs. 5,000 pa)	10	Not applicable. See Section 195.	Not applicable. See Section 195.	10	Not applicable. See Section 195.
Section 194B: Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort (Exceeding Rs. 10,000 pa)	30	30	30	30	30
Section 194BB: Income by way of winnings from horse races (Exceeding Rs. 10,000 pa)	30	30	30	30	30
Section 194C: Payment to contractor/sub-contractor (Exceeding Rs. 30,000 per contract or Rs. 100,000 aggregate per FY)		Not applicable. See Section 195.	Not applicable. See Section 195.		Not applicable. See Section 195.
a) HUF/Individuals	1			1	
b) Others	2			2	
Section 194D: Insurance commission (Exceeding Rs. 15,000 pa)	5	5	5	10	Not applicable.
Section 194DA: Payment in respect of life insurance policy ('payment' exceeding Rs. 100,000 pa)	5	5	5	5	Not applicable.
w.e.f. 1/9/2019, the tax shall be deducted on the amount of income comprised in insurance pay-out					
Section 194E: Payment to non-resident sports association	Not applicable	Not applicable	Not applicable	Not applicable	20
Section 194EE: Payment in respect of deposit under National Savings scheme (Exceeding Rs. 2500 pa)	10	10	10	10	Not applicable.
Section 194F: Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20	20	20	20	See Section 195.
Section 194G: Commission, etc., on sale of lottery tickets (Exceeding Rs. 15,000 pa)	5	5	5	5	5

Particulars	All payees other than company			Payee is a company	
	Resident in India (please see note above)	Non Resident Indian (NRI)*	Other Non Residents*	Domestic company (please see note above)	Other than Domestic company*
Section 194H: Commission or brokerage (Exceeding Rs. 15,000 pa)	5	Not applicable. See Section 195.	Not applicable. See Section 195.	5	Not applicable. See Section 195.
Section 194-I: Rent (Exceeding Rs. 240,000 pa)		Not applicable. See Section 195.	Not applicable. See Section 195.		Not applicable. See Section 195.
a) Plant & Machinery	2	Not applicable. See Section 195.	Not applicable. See Section 195.	2	Not applicable. See Section 195.
b) Land or building or furniture or fitting	10	Not applicable. See Section 195.	Not applicable. See Section 195.	10	Not applicable. See Section 195.
Section 194-IA: Payment on transfer of certain immovable property other than agricultural land (Consideration exceeding Rs. 5,000,000)	1	Not applicable. See Section 195.	Not applicable. See Section 195.	1	Not applicable. See Section 195.
Section 194-IB: Payment of rent by individual or HUF not liable to tax audit (Exceeding Rs. 50,000 pa)	5	Not applicable. See Section 195.	Not applicable. See Section 195.	Not applicable	Not applicable. See Section 195.
Note: This provision is applicable from June 1, 2017					
Section 194-IC: Payment of monetary consideration under Joint Development Agreements	10	Not applicable. See Section 195.	Not applicable. See Section 195.	10	Not applicable. See Section 195.
Section 194J: Any sum paid by way of					
i) sum paid or payable towards fees for technical services	2	Not applicable. See Section 195.	Not applicable. See Section 195.	2	Not applicable. See Section 195.
ii) sum paid or payable towards royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films;		Not applicable. See Section 195.	Not applicable. See Section 195.		Not applicable. See Section 195.
iii) Any other sum	10	Not applicable. See Section 195.	Not applicable. See Section 195.	10	Not applicable. See Section 195.
Notes:					
1. With effect from June 1, 2017 the rate of TDS would be 2% in case of payee engaged in business of operation of call center.					

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	Resident in India (please see note above)	Non Resident Indian (NRI)*	Other Non Residents*	Domestic company (please see note above)	Other than Domestic company*
2. Exceeding Rs. 30,000 pa					
Section 194LA: Payment of compensation on acquisition of certain immovable property (Exceeding Rs. 250,000 pa)	10	Not applicable. See Section 195.	Not applicable. See Section 195.	10	Not applicable. See Section 195.
Note: With effect from April 1, 2017, no deduction of tax shall be made on any payment which is exempt from levy of income-tax under Right to Fair Compensation Act, 2013.					
Section 194LB: Payment of interest on infrastructure debt fund	Not applicable	5	5	Not applicable	5
Section 194LBA(1): Business trust shall deduct tax while distributing, any interest received or receivable by it from a SPV or any income received from renting or leasing or letting out any real estate asset owned directly by it, to its unit holders.	10	Not applicable	Not applicable	10	Not applicable
Section 194LBA(2): Business trust shall deduct tax while distributing any interest income received or receivable by it from a SPV to its unit holders.	Not applicable	5	5	Not applicable	5
Section 194LBA(3): Business trust shall deduct tax while distributing any income received from renting or leasing or letting out any real estate asset owned directly by it to its unit holders.	Not applicable	30	30	Not applicable	40
Section 194LBB: Investment fund paying an income to a unit holder [other than income which is exempt under Section 10(23FBB)]	10	30	30	10	40
Section 194LBC: Income in respect of investment made in a securitisation trust (specified in <i>Explanation</i> of section 115TCA)	25% in case of Individual or HUF	30	30	10	40
	30% in case of other person				

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	Resident in India (please see note above)	Non Resident Indian (NRI)*	Other Non Residents*	Domestic company (please see note above)	Other than Domestic company*
Section 194LC: Payment of interest by an Indian Company or a business trust in respect of money borrowed in foreign currency under a loan agreement or by way of issue of long-term bonds (including long-term infrastructure bond)	Not applicable	5	5	Not applicable	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.					
Section 194LD: Payment of interest on rupee denominated bond of an Indian Company or Government securities to a Foreign Institutional Investor or a Qualified Foreign Investor	Not applicable	5	5	Not applicable	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.					
Section 194M: Payment of commission (not being insurance commission), brokerage, contractual fee, professional fee to a resident person by an Individual or a HUF who are not liable to deduct TDS under section 194C, 194H, or 194J. Tax shall be deducted under Section 194M with effect from 1/09/2019 when aggregate of sum credited or paid during a financial year exceeds Rs. 50 lakh	Not applicable	Not applicable	Not applicable	5	Not applicable
Section 194N: Cash withdrawal in excess of Rs. 1 crore (Rs. 20 lakhs for non-filers of ITR) during the previous year from one or more account maintained by a person with a banking company, co-operative society engaged in business of banking or a post office	2 or 5 as the case maybe	Not applicable	Not applicable	2 or 5 as the case maybe	Not applicable
Section 194O: Payment or credit of amount by the e-commerce operator to ecommerce Participant	1	Not applicable	Not applicable	1	Not applicable

Section 195: Payment of any other sum to a Non-resident	Non Resident Indian (NRI)*	Other Non Residents*	Other than Domestic company*
a) Income in respect of investment made by a Non-resident Indian Citizen	20	Not applicable to NR other than NRI	Not applicable
b) Income by way of long-term capital gains referred to in Section 115E in case of a Non-resident Indian Citizen	10	Not applicable to NR other than NRI	Not applicable
c) Income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-Section (1) of Section 112	10	10	10
d) Income by way of long-term capital gains as referred to in Section 112A	10	10	10
e) Income by way of short-term capital gains referred to in Section 111A	15	15	15
f) Any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses 10(33), 10(36) and 112A	20	20	20
g) Income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in Section 194LB or Section 194LC)	20	20	20
h) Income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of Section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of Section 115A of the Income-tax Act, to a person resident in India	10	10	10

Section 195: Payment of any other sum to a Non-resident	Non Resident Indian (NRI)*	Other Non Residents*	Other than Domestic company*
i) Income by way of royalty [not being royalty of the nature referred to point (h)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10	10	NA
A. where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	NA	NA	50
B. where the agreement is made after the 31st day of March, 1976	NA	NA	10
j) Income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10	10	NA
A. where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	NA	NA	50
B. where the agreement is made after the 31st day of March, 1976	NA	NA	10
k) Any other income	30	30	40
Section 196B: Income from units (including long-term capital gain on transfer of such units) to an offshore fund	10	10	10
Section 196C: Income from foreign currency bonds or GDR of an Indian company (including long-term capital gain on transfer of such bonds or GDR)	10	10	10
Section 196D: Income of foreign Institutional Investors from securities (not being dividend or capital gain arising from such securities)	20	20	20

* The rate of TDS shall be increased by applicable surcharge and Health & Education cess.