

**RATES OF TDS FOR FINANCIAL YEAR 2017-18**

**( With effect from 01-06-2017 onwards )**

Sr. No.	NATURE OF PAYMENT	SECTION	ANNUAL PAYMENT LIMIT FOR ATTRACTING TDS	IF RECEIVER IS INDIVIDUAL / HUF	IF RECEIVER IS FIRM, AOP, BOI ETC	IF RECEIVER IS DOMESTIC CO.
1	Interest ***	194 A	5,000	10.00%	10.00%	10.00%
2	Winnings from lottery, cross word puzzles card games, horse race, games of any sort including T.V. Game Shows	194B	10,000	30.00%	30.00%	30.00%
3	Payments to Contractors/Sub-Contractors **/**	194 C	1,00,000	1.00%	2.00%	2.00%
4	Insurance Commission	194 D	15,000	5.00%	5.00%	5.00%
5	Payment of life insurance Policies	194DA	1,00,000	1.00%	N.A.	N.A.
6	Payments to Non resident Sportmen or Sport Association	194E	No limit	20.00%	20.00%	N.A.
7	Commission or brokerage ***	194 H	15,000	5.00%	5.00%	5.00%
8	Rent for Land,Bldg. etc ***	194 I	1,80,000	10.00%	10.00%	10.00%
9	Rent for Machinery Plant / Equipment ***	194 I	1,80,000	2.00%	2.00%	2.00%
10	Payment on transfer of certain immovable property other than agriculture land.	194 IA	50,00,000	1.00%	1.00%	1.00%
11	Rent by Individual or HUF ****	194IB	50000 P.M.	5.00%	5.00%	5.00%
12	Payment under Joint Development Agreement	194IC	No limit	10.00%	10.00%	10.00%
13	Fees for professional or technical services ***	194 J	30,000	10.00%	10.00%	10.00%
14	Compensation for acquisition of immovable property	194LA	2,50,000	10.00%	10.00%	10.00%

**\*\* An Individual/ HUF liable for Tax Audit in last Financial Year has to make TDS while making payment to resident contractors. If contract is for personal purposes of Individual / HUF no TDS to be made.**

**\*\*\* TDS is not to be done if payer is individual or HUF. But, if such individuals / HUFs are liable to Tax Audit in previous Financial Year, the TDS is applicable**

**\*\*\*\* Applicable to individuals & HUFs not covered under section 194 I. TDS to be deducted in the month of March or last month of tenancy during the year, which ever is earlier.**

1	If tax is not deducted / deducted but not paid to Govt. within the due date for filing return of income, 30% of the relevant expenditure will not be allowed as deduction.
2	The TDS made should be paid to the government on or before 7th day of next month. In case of provisions made as on 31st March, TDS has to be paid within one month.
3	In case of Banks, Co-Operative Banks, Post Office, the Annual Limit for interest to attract TDS is Rs. 10,000/-. The said limit shall be considered bank wise when bank as core banking system
4	In case of 194B Rs. 10,000/- is the limit for other games and Rs. 2,500/- is the limit for horse race.
5	In case of 194C, TDS has to be made if the Single payment/credit exceeds Rs.30,000/- and also if the annual payment/credit exceeds Rs.1,00,000/-.
6	In case of Transport Contracts, no TDS has to be made if the receiver provides with the PAN (applicable only if the transporter does not own more than 10 transport vehicles). If the transporter owns more than 10 transport vehicles, TDS provisions are applicable.
7	The return for the first three quarters of the year has to be filed within 1 month from end of the quarter.
8	The return for the last quarter (January to March) has to be filed before 31st May.
9	Where the tax is deducted and paid to a Non-Resident/ Foreign Company, further additional E.Cess .2% & S.H.E Cess.1% of income tax.
10	TDS has to be made at the time of payment or crediting the account which ever is earlier.
11	TDS certificates to be issued within 1.5 months from end of the quarter for the first three quarters of the year. TDS certificates for the last quarter to be issued within 2.5 months from end of the last quarter of the year.
12	The above rules are applicable for Tax collected at source (TCS) from sales of scrap etc. also.
13	In case of payment to Non-Residents & Non-Domestic Companies, please contact us to know the rate of TDS.

14	The TDS not made within due dates will attract interest @ 1% for every month or part thereof from the due date of deduction till the actual date of deduction.
15	The TDS not paid within due dates will attract interest @ 1.5% for every month or part thereof from the date of deduction till the date of payment.
16	The Tax Collected at Source (TCS) from sale of Scrap is to be made at 1.5%
17	If the receiver (Deductee) has not provided the Permanent Account Number (PAN), the rate of TDS is 20% irrespective of the category & section.