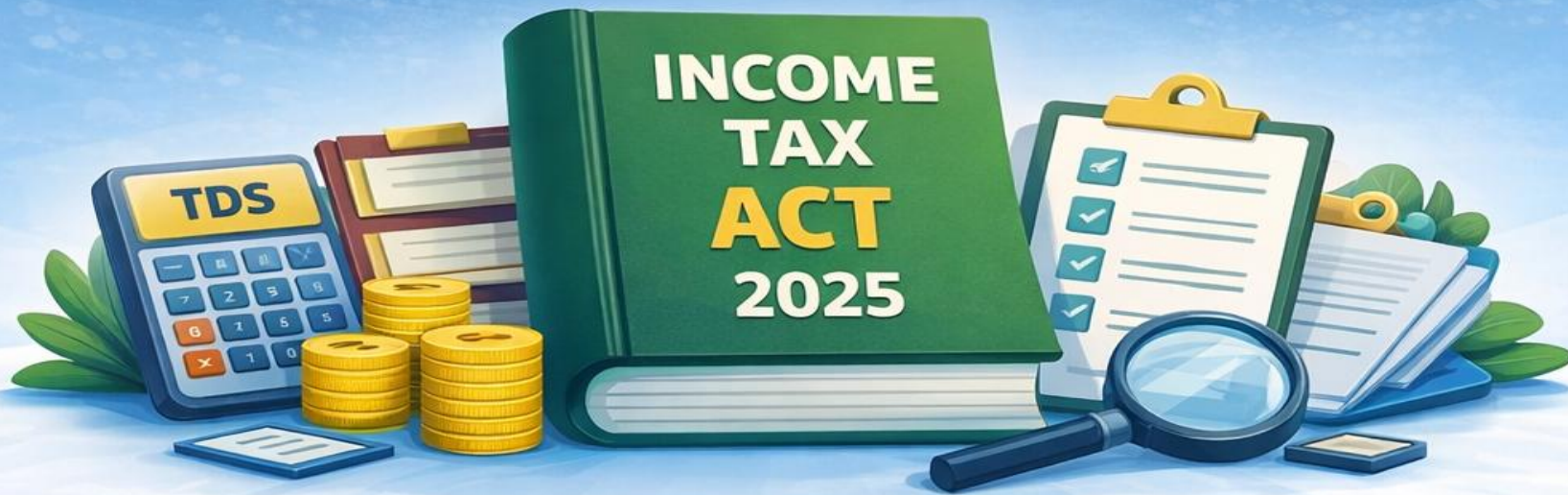


# TDS Provisions

INCOME TAX ACT 2025



## Category A - When recipient is a person resident in India

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
392	-	192	Tax deduction from salary, allowances or perquisites	As per slab	Nil
392(7)	-	192A	Payment of taxable accumulated provident fund balance	10%	₹50,000
393(1)	(1)(i)	194D	Insurance commission: <ul style="list-style-type: none"> <li>If recipient is a resident (other than a company)</li> <li>If recipient is a domestic company</li> </ul>	2% / 10%	₹20,000
393(1)	(1)(ii)	194H	Commission/Brokerage	2%	₹20,000
393(1)	(2)(i)	194IB	Payment/credit of rent by an individual/HUF (if his total sales, turnover or gross receipts does not exceed Rs. 1 crore in the case of business or Rs. 50 lakh in the case of profession in the preceding financial year)	2%	₹50,000/month
393(1)	3(i)	194IA	Payment/credit of consideration to a resident transferor for transfer of any immovable property (other than rural agricultural land) (1 per cent of consideration or stamp duty value, whichever is higher)	1%	₹50,00,000

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(1)	3(ii)	194IC	Payment of consideration (not being in kind) under a joint development agreement to a resident individual/HUF (who transfers land/building)	10%	Nil
393(1)	(2)(ii)	194I	Any income by way of rent <ul style="list-style-type: none"> <li>Rent of plant and machinery</li> <li>Rent of land or building or furniture or fitting</li> </ul>	2% / 10%	₹50,000
393(1)	(3)(iii)	194LA	Payment of compensation/enhanced compensation for compulsory acquisition of immovable property	10%	₹5 lakh
393(1)	(4)(i)	194K	Any income in respect of units of a mutual fund/units from administrator of the specified undertaking/units from specified company	10%	₹10,000
393(1)	4(ii)	194LBA(1)	Payment of the nature referred to in Schedule V (Table Sl. No.3/4)[corresponding to sec. 10(23FC)/ (23FCA) of the 1961 Act] by a business trust to resident unitholders.	10%	Nil
393(1)	4(iii)	194LBB	Payment in respect of units of investment fund specified in section 224 (corresponding to sec. 115UB of the 1961 Act)	10%	Nil

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(1)	5(i)	193	Interest on securities	10%	₹10,000
393(1)	5(ii)/(ii)	194A	Payment of interest (other than interest on securities):	10%	₹1,00,000
			<ul style="list-style-type: none"> <li>• Paid/payable by a bank/co-operative bank/ post office to a senior citizen.</li> </ul>	10%	₹50,000
			<ul style="list-style-type: none"> <li>• Paid/payable by a bank/co-operative bank/post office to a person other than a senior citizen.</li> <li>• Paid/payable by any other person</li> </ul>	10%	₹10,000
393(1)	6(i)	194C	Payment to contractors .	1%	₹30,000 / ₹1,00,000
			<ul style="list-style-type: none"> <li>• Payment/credit to an individual or a Hindu undivided family</li> <li>• Payment/credit to any person other than an individual or a Hindu undivided family</li> </ul>	2%	₹30,000/₹1,00,000
393(1)	4(iv)	194LBC(1)	Payment in respect of an investment in a securitisation trust specified in section 221(6) (d) [corresponding to Expln. (d) to sec. 115TCA] if recipient is an individual or HUF or any other person	10%	Nil

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(1)	6(ii)	194M	Payment/credit to a resident contractor or resident professional or payment/credit by way of commission/brokerage	2%	₹50,00,000
393(1)	6(iii)	194J	Fees for professional or technical services –		
			• Fees for professional services (if payee is engaged only in the business of operation of a call centre )	2%	
			• Fees for professional services (not covered above)	10%	₹50,000
			• Fees for technical services (not being a professional service)	2%	₹50,000
			• Remuneration/fee/commission by a company to a director (when director is not an employee, i.e., TDS under section 392 (corresponding to sec. 192 of the 1961 Act) is not applicable)	10%	Nil
			• Royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films	2%	
			• Royalty (not covered above)	10%	₹50,000
			• Any sum referred to in section 26(2)(h) [corresponding to sec. 28(va) of the 1961 Act]		

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(1)	7	194	Dividends (including deemed dividend) (threshold limit :Rs. 10,000 if shareholder is an individual)	10%	Nil
393(1)	(8)(i)	194DA	Amount of income comprised in payment in respect of life insurance policy [when exemption is not available under Schedule II (Table Sl. No. 2) [corresponding to sec. 10(10D) of the 1961 Act]	2%	₹1 lakh
393(1)	8(ii)	194Q	Payment/credit (exceeding Rs. 50 lakh in the financial year) of a certain sum for the purchase of goods	0.1%	₹50 lakh
393(1)	8(iii)	194P	Tax deduction in the case of a specified senior citizen	Slab rate	
393(1)	(8)(iv)	194R	Benefit or perquisite in respect of business/ profession	10%	₹20,000

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(1)	8(v)	1940	Payment of certain sums (i.e., sale of goods/ provision of services) by e-commerce operator to e-commerce participants — <ul style="list-style-type: none"> <li>If e-commerce participant is an individual/HUF</li> <li>If e-commerce participant is a person other than an individual/HUF</li> </ul>	0.1%	₹5,00,000
				0.1%	Nil
393(1)	8(vi)	194S	Payment/credit of consideration for transfer of virtual digital asset- <ul style="list-style-type: none"> <li>If consideration is paid/payable by a specified person</li> <li>If consideration is paid/payable by a person other than the specified person</li> </ul>	1%	₹50,000
				1%	₹10,000
393(3)	1	194B	Winnings from lottery or crossword puzzle, card games and other games of any sort (other than winnings from online games) (threshold limit is Rs. 10,000 per transaction)	30%	₹10,000
393(3)	2	194BA	Winnings from online games	30%	Nil

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Threshold
393(3)	3	194BB	Winnings from horse race (threshold limit is Rs. 10,000 per transaction)	30%	₹10,000
393(3)	4	194G	Commission on sale of lottery tickets	2%	₹20,000
393(3)	5	194N	Payment from one or more accounts to an account holder in cash by bank/co-operative bank/post office <ul style="list-style-type: none"> <li>If recipient is a co-operative society</li> <li>If recipient is a person other than a co-operative society</li> </ul>	2% 2%	₹3 crores ₹1 crores
393(3)	6	194EE	Payment in respect of deposits under the National Savings Scheme, 1987	10%	₹2,500
393(3)	7	194T	Payment of remuneration/interest by a firm to its partner(s)	10%	₹20,000

## Category B - When recipient is a non-resident or a foreign company

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
392(7)	-	192A	Payment of taxable accumulated provident fund balance	10%	Applicable
393(3)	1	194B	Winnings from lottery or crossword puzzle, card games and other games of any sort (other than winnings from online games) (threshold limit is Rs. 10,000 per transaction)	30%	Applicable
393(3)	2	194BA	Winnings from online games	30%	Applicable
393(3)	3	194BB	Winnings from horse race (threshold limit is Rs. 10,000 per transaction)	30%	Applicable
393(3)	4	194G	Commission on sale of lottery tickets	2%	Applicable
393(3)	5	194N	Payment from one or more accounts to an account holder in cash by bank/co-operative bank/post office – <ul style="list-style-type: none"> <li>If recipient is a co-operative society</li> <li>If recipient is a person other than co-operative society</li> </ul>	2% 2%	Applicable

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(3)	7	194T	Payment of remuneration/interest by a firm to its partner(s)	10%	Applicable
393(2 )	1	194E	Payment to a non-resident foreign citizen sports-man/entertainer or non-resident sports association	20%	Applicable
393(2)	2,3 and 4	194LC	<p>Payment/Credit edit of interest by an Indian specified company or business trust on :-</p> <ul style="list-style-type: none"> <li>Foreign currency approved loan/long-term bonds from outside India</li> <li>Long-term bond/rupee denominated bond listed in recognised stock exchange located in any International Financial Services Centre</li> <li>Long-term bond/rupee denominated bond issued on or after July 1, 2023, which is listed only on a recognised stock exchange located in an International Financial Services Centre</li> </ul>	5% 4% 9%	Applicable
393(2)	5	194LB	Payment/credit by way of interest by infrastructure debt fund	5%	Applicable

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(2)	6	194LBA(2)	<p>Payment by business trust to unitholders of the nature referred to in Schedule V (Table Sl. No. 3) [corresponding to sec. 10(23FC) of the 1961 Act]-</p> <ul style="list-style-type: none"> <li>Interest received from special purpose vehicle paid to a unitholder</li> <li>Dividend received from special purpose vehicle paid to a unitholder</li> </ul>	<p>5%</p> <p>10%</p>	Applicable
393(2)	7	194LBA(3)	<p>Payment of nature referred to in Schedule V (Table Sl. No.4) [corresponding to sec. 10(23FCA) of the 1961 Act] by a business trust to unitholders –</p> <ul style="list-style-type: none"> <li>If recipient is a non-resident (other than a foreign company)</li> <li>If recipient is a foreign company</li> </ul>	<p>30%</p> <p>35%</p>	Applicable
393(3)	6	194EE	Payment in respect of deposits under the National Savings Scheme, 1987	10%	Applicable

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) health and education ce (HEC)
393(2)	8	194LBB	Payment in respect of units of investment fund specified in section 224 (corresponding to sec. 115UB of the 1961 Act) <ul style="list-style-type: none"> <li>If recipient is a non-resident (other than a foreign company)</li> <li>If recipient is a foreign company</li> </ul>	30% 35%	Applicable
393(2)	9	194LBC(2)	Payment in respect of an investment in a securitisation trust specified in section 221 <ul style="list-style-type: none"> <li>If recipient is a non-resident (other than a foreign company)</li> <li>If recipient is a foreign company</li> </ul>	30% 35%	Applicable
393(2)	10	196A	Income in respect of units of non-resident	20%	Applicable
393(2)	11 & 12	196B	Income in respect of units referred to in section 208 (corresponding to sec. 115AB of the 1961 Act) Long-term capital gain on transfer of aforesaid units	10% 12.5%	Applicable

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(2)	15	196D(1)	Payment/credit of income from securities (not being dividend, short-term or long-term capital gain) to Foreign Institutional Investors	20%	Applicable
393(2)	16	196D(1A)	Payment/credit of interest from securities to a specified fund [referred to in Schedule VI, Note 1(g), corresponding to Explan. (c) of sec. 10(4D) of the 1961 Act]	10%	Not Applicable
393(2)	17	195(1)	Payment/credit of other sum to a non-resident:- a. income of foreign exchange assets payable to an Indian citizen as referred to in section 214 (corresponding to sec. 115E of the 1961 Act)	20%	Applicable
393(2)	17	195(1)	b. income by way of long-term capital gains on transfer of foreign exchange assets as referred to in section 214	12.5%	Applicable (SC not to exceed 15%)
393(2)	17	195(1)	c. income by way of short-term capital gain under section 196 (corresponding to sec. 111A of the 1961 Act)	20%	Applicable (SC not to exceed 15%)

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(2)	17	195(1)	d. income by way of long-term capital gains under section 197 (corresponding to sec. 112 of the 1961 Act)	12.5%	Applicable (SC not to exceed 15%)
393(2)	17	195(1)	e. income by way of long-term capital gains under section 198 (corresponding to sec. 112A of the 1961 Act) (exceeding Rs. 1.25 lakh)	12.5%	Applicable (SC not to exceed 15%)
393(2)	17	195(1)	f. income by way of dividend from a unit in the International Financial Services Centre	10%	Applicable (SC not to exceed 15%)

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(2)	17	195(1)	g. income by way of dividend (other than above)	20%	Applicable (SC not to exceed 15%)
393(2)	17	195(1)	h. income by way of interest payable by the Government/Indian concern on money borrowed or debt incurred by the Government or Indian concern in foreign currency (not being interest covered in the above entries)	20%	Applicable
393(2)	17	195(1)	i. Royalty	20%	Applicable
393(2)	17	195(1)	<p>j. royalty [not being royalty of the nature referred to in (i) supra] –</p> <ul style="list-style-type: none"> <li>where the agreement is made after - March 31, 1961 but before April 1, 1976 (recipient is a non-resident other than a foreign company)</li> <li>where the agreement is made after March 31, 1961 but before April 1, 1976 (recipient is a foreign company)</li> <li>where the agreement is made on or after April 1, 1976</li> </ul>	<p>20%</p> <p>50%</p> <p>20%</p>	Applicable
					<p>MITTAL GUPTA &amp; CO</p> <p>CHARTERED ACCOUNTANTS</p>

New Section (2025)	Table Sl. No.	Old Section (1961)	Nature of Payment	TDS Rate	Surcharge (SC) and health and education cess (HEC)
393(2)	17	195(1)	k. fees for technical services :- <ul style="list-style-type: none"> <li>where the agreement is made after February 29, 1964 but before April 1, 1976 (recipient is a non-resident other than a foreign company)</li> <li>where the agreement is made after February 29, 1964 but before April 1, 1976 (recipient is a foreign company)</li> <li>where the agreement is made on or after April 1, 1976</li> </ul>	20%  50%  20%	Applicable
393(2)	17	195(1)	l. any other income – <ul style="list-style-type: none"> <li>If the recipient is a non-resident (other than a foreign company)</li> <li>If the recipient is a foreign company</li> </ul>	30%  35%	Applicable
392		192	Tax deduction from salary, allowances or perquisites	Slab rate	Applicable



## Threshold & Rate Modifications

**₹10K**

### Interest on Securities

Threshold raised from ₹0 to ₹10,000, providing relief to small investors

**₹10K**

### Dividend Income

Threshold increased from ₹5,000 to ₹10,000, doubling the exemption limit for individuals

**₹1L**

### Bank Interest (Seniors)

Threshold for banks/co-operative societies raised from ₹50,000 to ₹1,00,000 for seniors

**₹10L**

### Liberalized Remittance Remittance Scheme

TCS threshold increased from ₹7,00,000 to ₹10,00,000 for foreign remittances

**₹50K**

### Bank Interest (Others)

Threshold for banks/co-operative societies raised from ₹40,000 to ₹50,000

**Thank You**

For Your Time & Attention



**MITTAL GUPTA & CO**

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