

TDS rate chart and due dates for the financial year 2020-21

Tax deducted at source or TDS is a tax deducted by a person or company before making a payment over certain threshold limits to any other person. It is to be deducted at the rates prescribed by the tax department and remit the amount into the account of the Central Government. A deductor is a person or company responsible to deduct TDS before making any payment and a deductee is a person or company receiving the payment. It is deducted regardless of the mode of payment, be it cash or cheque, and linked to the PAN of the deductor and deductee.

TDS is an advance tax that is deducted on various types of payments including salaries, rent payments, interest paid by banks, consultation fees, and commission payments, etc. However, TDS is required to be deducted when making payments or paying fees to professionals like doctors and lawyers. It is the responsibility of deductors to deduct TDS and then deposit it to the government periodically. For the deductee, they can claim the deducted TDS in the form of a tax refund by filing their income tax return (ITR).

In this article, we will look at the **TDS rates** applicable for the financial year 2020-21. Additionally, you will learn about the due dates and the mode of paying tax deducted at source to the government.

TDS Rates for F.Y. 2020-21 (A.Y 2021-22)

Section	Particulars	TDS Rate (in %) if payment to –			
		Resident Indian (i.e. Individual, HUF etc. other than a company)	Non-resident Person other than a company*(see note)	Domestic Company	Foreign Company *(see note)
192	Payment of salary	Normal slab rate	Normal slab rate	–	–
192A	Payment of accumulated balance of provident fund which is taxable in the hands of an employee.	10	10	–	–
193	Interest on Securities	10	–	10	–
194	Dividend	10 (w.e.f	–	10 (w.e.f	–

	(Monetary Limit- ₹5000)	01.04.2020		01.04.2020	
194A	Income by way of interest other than "Interest on securities" (Monetary Limit – ₹40,000)	10	–	10	–
194B	Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort (Monetary Limit – ₹10,000)	30	30	30	30
194BB	Income by way of winnings from horse races (Monetary Limit – ₹10,000)	30	30	30	30
194C	A Payment to contractor/ sub-contractor (Monetary Limit – ₹30,000 for single payment or ₹1,00,000 for aggregate amount during the year)				
	a. HUF/Individuals	1	–	1	–
	b. Others	2	–	2	–
194D	Insurance commission (Monetary Limit – ₹15,000)	5	–	10	–
194DA	Payment in respect of life insurance policy w.e.f. 1/9/2019, the tax shall be deducted on the amount of income comprised in insurance pay-out (Monetary Limit – ₹1,00,000)	5	–	5	–
194E	Payment to non-resident sportsmen/sports	–	20	–	20

	association				
194EE	Payment in respect of deposit under National Savings scheme	10	10	10	–
194F	Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20	20	20	–
194G	Commission, etc., on sale of lottery tickets	5	5	5	5
194H	Commission or brokerage (Monetary Limit – ₹15,000)	5	–	5	–
194-I	Rent (Monetary Limit – ₹2,40,000)				
	a. Plant & Machinery	2	–	2	–
	b. Land or building or furniture or fitting	10	–	10	–
194-IA	Payment on transfer of certain immovable property other than agricultural land (Monetary Limit – if consideration exceeding ₹50,00,000)	1	–	1	–
194-IB	A Payment of rent by individual or HUF not liable to a tax audit (Monetary Limit – Rent for the month or part of the month exceeds ₹50,000)	5	–	–	–
194-IC	Payment of monetary consideration under Joint Development Agreements	10	–	10	–
194J	A Payment for fees for Technical services, Professional services or royalty etc.				

	(Monetary Limit – ₹30,000 p.a)				
	a. Fee for technical services or royalty where such royalty is in the nature of consideration for sale, distribution or exhibition of cinematographic films	2 (w.e.f. 01.04.2020)	–	2 (w.e.f. 01.04.2020)	–
	b. Fee in other all cases as per Section 194J Note: With effect from June 1, 2017, the rate of TDS would be 2% in case of payee engaged in the business of operation of a call centre.	10	–	10	–
194K	Payment of any income in respect of: a) Units of a Mutual Fund as per Section 10(23D) b) The Units from the administrator c) Units from specified company (Monetary Limit - ₹5,000)	10 (w.e.f. 01.04.2020)	–	10 (w.e.f. 01.04.2020)	–
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.	5	–	5	–
194N	Cash withdrawal above ₹1 crore during the previous year from one or more account maintained by a person with a banking company, co-operative	2	–	2	–

	<p>society engaged in the business of banking or a post office</p> <p>Please Note- The Scope of TDS on cash withdrawal has been extended. TDS at 2% is required to be deducted if the withdrawer has not filed his tax return for three years and withdrawal during the year exceeds Rs 20 lakhs but is less than Rs 1 crore. For withdrawal more than Rs 1 crore at 5%.</p>				
194-O	Applicable for E-commerce operator for the sale of goods or provision of service facilitated by it through its digital or electronic facility or platform.	1 (w.e.f. 01.10.2020)	–	1 (w.e.f. 01.10.2020)	–
195	Payment of any other sum to a Non-resident				
	a) Any other income	–	30	–	40
	b) Income by way of fees for technical services	–	10	–	10
	c) Royalty	–	10	–	10
	d) Income in respect of investment made by a Non-resident Indian Citizen	–	20	–	–
	e) Income by way of interest payable by Government or an Indian concern on money borrowed or debt incurred by Government or the Indian concern	–	20	–	20
	f) Income by way of				

	long-term capital gains				
	– u/s 115E/112(1)(c)(iii)/112 A	–	10	–	10
	– Any Other Gains	–	20	–	20
	g) Income by way of short -term capital gains referred to in Section 111A	–	15	–	15

Note:*TDS rate shall be increased by applicable Surcharge and Health & Education Cess in case of payment to a Non-resident person other than a company or a foreign company.

Due dates for the payment and filing of TDS return

Month of deduction	Quarter Period	Due dates for TDS paid through challan		Due dates for filing TDS return for all deductors
		For Govt. deductor	For other deductors	
April May June	1 st April to 30 th June	7 th May 7 th June 7 th July		31 st July
July August September	1 st July to 30 th September	7 th August 7 th September 7 th October		31 st October
October November December	1 st October to 31 st December	7 th November 7 th December 7 th January		31 st January
January February March	1 st January to 31 st March	7 th February 7 th March 7 th April	30 th April	31 st May

What are the modes of payment for TDS?

The tax deducted at source can be deposited to the credit of the Central Government through the following modes:

- An electronic mode of payment is mandatory for:
- Corporate assesses
- All assesses (other than a company) to whom provisions under **Section 44AB** of the Income Tax Act, 1961 are applicable.
- The physical payment mode can be used by submitting the Challan ITNS281 in the authorized bank branch.

Source courtesy: taxguru.in