

What are TCS charges?

Taxes are a method of generating **revenue for governments** and their main source of income.

TCS is the **extra amount** collected by the seller of specified goods from the buyer over and above the sale price and which is remitted to the government account.

What are the types of TDS?

The government collects these TDS in order to **maintain a stable revenue source** for the government and to deter fraudulent tax evasion.

Here is the list of some of the **income sources that are eligible for TDS**:

- Amount under life insurance
- Bank Interest
- Brokerage or Commission
- Contractor payments
- Compensation on acquiring immovable property
- Commission payments
- Dividend declared
- Interest on securities
- Interest apart from interest on securities
- Insurance Commission
- Payment of rent
- Remuneration which is paid to the director of a company, etc.
- Salary
- Transfer of immovable property
- Winning income from games like a crossword puzzle, card, lottery, etc.

Please find the chart of TDS for FY 2022-2023:

TDS RATE CHART FOR FY 2022-2023

Section	Deductee*	Nature of transaction	Threshold Limit (Rs)	TDS Rate
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192	R, NR	Payment of salary	Basic exemption limit of employee	Normal Slab Rates
192A	R, NR	Premature withdrawal from EPF	50,000	10%
193	R	Interest on securities	Debentures- 5,000 8% Savings (Taxable) Bonds 2003 or 7.75% Savings (Taxable) Bonds 2018- 10,000 Other securities- No limit	10%
194	R	Payment of any dividend	5,000	10%
194A	R	Interest from other than interest from securities (from deposits with banks/post office/co-operative society)	Senior Citizens- 50,000 Others- 40,000	10%
194A	R	Interest from other than interest on securities u/s 193 and interest from banks/post office/co-operative society. For e.g., interest from friends and relatives	5,000	10%
194B	R, NR, FC	Income from lottery winnings, card games, crossword puzzles, and other games of any type	10,000	30%
194BB	R, NR, FC	Income from horse race winnings	10,000	30%
194C	R	Payment to contractor/sub-contractor:-	Single transaction- 30,000 Aggregate transactions- 1,00,000	1%

		Individuals/HUF		
194C	R	Payment to contractor/sub-contractor:- Other than Individuals/HUF	Single transaction- 30,000 Aggregate transactions- 1,00,000	2%
194D	R	Insurance commission to domestic companies	15,000	10%
194D	R	Insurance commission to other than companies	15,000	5%
194DA	R	Income for the insurance pay-out, while payment of any sum in respect of a life insurance policy.	1,00,000	5%
194E	NR, FC	Payment to non-resident sportsmen/sports association	No limit	20%
194EE	R, NR	Payment of amount standing to the credit of a person under National Savings Scheme (NSS)	2,500	10%
194F	R, NR	Payment for the repurchase of the unit by Unit Trust of India (UTI) or a Mutual Fund	No limit	20%
194G	R, NR, FC	Payments, commission, etc., on the sale of lottery tickets	15,000	5%
194H	R	Commission or brokerage	15,000	5%
194-I	R	Rent on plant and machinery	2,40,000	2%
194-I	R	Rent on land/building/furniture/fitting	2,40,000	10%

194-IA	R	Payment in consideration of transfer of certain immovable property other than agricultural land.	50,00,000	1%
194-IB	R	Rent payment by an individual or HUF not covered u/s. 194-I	50,000 per month	5%
194-IC	R	Payment under Joint Development Agreements (JDA) to Individual/HUF	No limit	10
194J	R	Any sum paid by way of fee for professional services	30,000	10%
194J	R	Any sum paid by way of remuneration/fee/commission to a director	30,000	10%
194J	R	Any sum paid for not carrying out any activity concerning any business;	30,000	10%
194J	R	Any sum paid for not sharing any know-how, patent, copyright, etc.	30,000	10%
194J	R	Any sum paid as a fee for technical services	30,000	2%
194J	R	Any sum paid by way of royalty towards the sale or distribution, or exhibition of cinematographic films	30,000	2%
194J	R	Any sum paid as fees for technical services, but the payee is engaged in the business of operation of the call center.	30,000	2%

194K	R	Payment of any income for units of a mutual fund, for example, dividend	No limit	10%
194LA	R	Payment in respect of compensation on acquiring certain immovable property	2,50,000	10%
194LB	NR, FC	Payment of interest on infrastructure debt fund to Non-Resident	No limit	5%
194LC	NR, FC	Payment of interest for the loan borrowed in foreign currency by an Indian company or business trust against loan agreement or the issue of long-term bonds	No limit	5%
194LC	NR, FC	Payment of interest for the loan borrowed in foreign currency by an Indian company or business trust against the issue of long-term bonds listed in IFSC	No limit	4%
194LD	NR, FC	Payment of interest on bond (rupee-denominated) to FII or a QFI	No limit	5%
194LBA(1)	R	Certain income distributed by a business trust to its unitholder	No limit	10%
194LBA(2)	NR, FC	Interest income of a business trust from SPV distribution to its unitholders	No limit	5%

194LBA(2)	NR, FC	Dividend income of a business trust from SPV, in which it holds the entire share capital exempt the capital held by the government, and distribution to its unitholders	No limit	10%
194LBA(3)	NR	Rental income payment of assets owned by the business trust to the unitholders of such business trust	No limit	30%
194LBA(3)	FC	Rental income payment of assets owned by the business trust to the unitholders of such business trust	No limit	40%
194LBB	R, NR	Certain income paid to a unitholder in respect of units of an investment fund	No limit	10%
194LBB	FC	Certain income paid to a unitholder in respect of units of an investment fund	No limit	40%
194LBC	R	Income from investment in securitisation fund received to an individual and HUF	No limit	25%
194LBC	R	Income from investment in securitisation fund received to a domestic company	No limit	10%
194LBC	FC	Income from investment in securitisation fund received to a foreign company	No limit	40%

194LBC	NR	Income from investment in securitisation fund received to NRI	No limit	10%
194M	R	Certain payments by Individual/HUF not liable to deduct TDS under Section 194C, 194H, and 194J	50,00,000	5%
194N	R, NR	Cash withdrawal exceeding a certain amount	1 crore	2%
194N	R, NR	Cash withdrawal in case person not filing ITR for last three years and the original ITR filing due date expired	-20 lakh to 1 crore -1 crore	2% 5%
194O	R	Payment for the sale of goods or provision of services by the e-commerce operator through its digital or electronic facility or platform.	5,00,000	1%
194P	R	Payment of pension or interest to specified senior citizens of age 75 years or more	Basic exemption limit of senior citizens or super senior citizens	Normal tax slab rates
194Q	R	Payments for the purchase of goods	50,00,000	0.10%
194R (Refer notes)	R	Perquisite or benefit to a business or profession	20,000	10%
194S (Refer notes)	R	TDS on the transfer of virtual digital assets	Specified Persons- 50,000 Others- 10,000	1%
195	NR	Income on investments made by NRI citizen	No limit	20%

195	NR	Income by way of LTCG referred to in section 115E in the case of NRI	No limit	10%
195	NR, FC	Income by way of LTCG under section 112(1)(c)(iii)	No limit	10%
195	NR, FC	Income by way of LTCG under section 112A	No limit	10%
195	NR, FC	Income by way of STCG under section 111A	No limit	15%
195	NR, FC	Any other income by way of LTCG	No limit	20%
195	NR, FC	Interest payable on money borrowed by the government or Indian concern in foreign currency	No limit	20%
195	NR, FC	Income from royalty payable by the Indian concern or the government, for the copyright in a subject referred in the first proviso of section 115A or computer software referred to in the second proviso of section 115A	No limit	10%
195	NR	Income from royalty payable by government or Indian concern in pursuance of an agreement on matters included in the industrial policy	No limit	10%

195	FC	<p>Income from royalty payable by government or Indian concern in pursuance of an agreement on matters included in the industrial policy</p> <p>If the agreement for such royalty payment is entered in between 31st March 1961 and 1st April 1976</p>	No limit	50%
195	FC	<p>Income from royalty payable by government or Indian concern in pursuance of an agreement on matters included in the industrial policy</p> <p>If the agreement for such royalty payment is entered after 31st March 1976</p>	No limit	10%
195	NR	Income from technical fees payable by government or Indian concern in pursuance of an agreement on matters related to industrial policy	No limit	10%
195	FC	Income from technical fees payable by government or Indian concern in pursuance of an agreement on matters related to industrial policy	No limit	50%

