

INCOME TAX SPECIAL

**TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED
(ACCOUNTS BRANCH)**

From
K.Malarvizhi, B.A.(Corp), ACA., PGDHRM,
Chief Financial Controller/General,
144, Anna Salai,
Chennai-600 002.

To
All Superintending Engineers,
All Financial Controllers
(2 copies each for Accounts and
Administrative Branch)
TANGEDCO Circles

Circular Letter No.CFC/GL/FC/ACCTS/DFC/AO/TAXATION/D.53/2019, dt.19.09.2019.

Sir,

Sub: Income-Tax – Certain amendments made to the Act through Finance Bill 2019 – Rates of Income Tax to be deducted at source from Salaries and **charts for Deduction (TDS) and Collection (TCS) of Tax** during the Financial Year 2019-20 – Communication of – Reg.

Ref: 1) Circular Letter No.CFC/GL/FC/ACCTS/DFC/AO/TAXATION/D.32/2018,
dt.22.06.2018.
2) Finance Act 2019.

Kindly refer the Circular cited above, wherein Rates of Income Tax to be deducted at Source from Salaries and the Charts for TDS and TCS during the Financial Year 2018-19 were communicated. The following are the updation for Financial Year 2019-20 :-

I. TDS ON SALARY :

(i) TDS rate on payment of Salary and Wages :

TDS is to be deducted if estimated income of the Employee exceeds taxable income.

(ii) TDS rate :

Calculate income tax payable as per income tax rates applicable on the estimated income of the employee for the year and to be deducted proportionately at the end of every month.

(iii) Amendments in Finance Act 2019 :

The following amendments are made to the Provisions of Income Tax Act 1961 through Finance Act, 2019.

A. Rate of Income Tax to be deducted at Source on Salaries for Financial Year 2019-20 :

(i) The basic exemption limit is Rs.2.5 Lakh(as previously communicated for the Financial Year 2018-19) for the Individual other than Senior Citizen and the rate of Income Tax is as furnished below:

- (1) Where the total income does not exceed Rs.2,50,000 : Nil
- (2) Where the total income exceeds Rs.2,50,000 : 5 per cent of the amount by which the total income exceeds Rs.2,50,000
But does not exceed Rs.5,00,000
- (3) Where the total income exceeds Rs.5,00,000 : Rs.12,500 plus 20 percent of the amount by which the total income exceeds Rs.5,00,000
But does not exceed Rs.10,00,000
- (4) Where the total income exceeds Rs.10,00,000 : Rs.1,12,500 plus 30 per cent of the amount by which the total income exceeds Rs.10,00,000

(ii) Rate of Tax to be deducted at Source on individual who is of the age of 60 years or more but less than eighty years:-

- (1) Where the total income does not exceed Rs.3,00,000 : Nil
- (2) Where the total income exceeds Rs.3,00,000 : 5 per cent of the amount by which the total income exceeds Rs.3,00,000
But does not exceed Rs.5,00,000
- (3) Where the total income exceeds Rs.5,00,000 : Rs.10,000 plus 20 percent of the amount by which the total income exceeds Rs.5,00,000
But does not exceed Rs.10,00,000
- (4) Where the total income exceeds Rs.10,00,000 : Rs.1,10,000 plus 30 per cent of the amount by which the total income exceeds Rs.10,00,000

(iii) Rate of Tax to be deducted at Source on individual who is of the age of 80 years or more:-

- (1) Where the total income does not exceed Rs.5,00,000 : Nil
- (2) Where the total income exceeds Rs.5,00,000 : 20 percent of the amount by which the total income exceeds Rs.5,00,000
But does not exceed Rs.10,00,000
- (3) Where the total income exceeds Rs.10,00,000 : Rs.1,00,000 plus 30 per cent of the amount by which the total income exceeds Rs.10,00,000

(a) Surcharge : Surcharge on Income Tax is applicable @ 10% if total income exceeds Rs.50 lakhs and not more than Rs.1 crore and 15% of total income exceeds Rs.1 crore.

(b) Education Cess : Education Cess on Income Tax and Secondary and Higher education Cess on Income-Tax has been replaced with "Health and Education Cess" and shall be levied at the rate of four percent (4%) of income-tax in the case of deductions on payment of salary.

B. Standard Deduction :-

Standard deduction u/s 16(a) increased from Rs.40,000/- to Rs.50,000/- which has been re-introduced last year for all salaried individuals for transportation or medical reimbursement purposes. However, exemption will not be available for medical reimbursement of Rs.15,000/- and transport allowance of Rs.1,600/- per month. The transport allowance exemption at enhanced rate of Rs.3,200/- per month shall continue to be allowed to differently abled persons. The standard deduction will be reduced directly from the Gross salary, and there is no need to submit investment proof or bills to avail of the benefit of standard deduction.

C. Deduction u/s.80CCE :-

The aggregate Deductions under sections 80C, 80CCC, 80CCD(1) has remain unchanged, i.e. Rs.1.5 Lakhs.

D. Deduction u/s.80EEA :-

A new Section 80EEA has been inserted to provide for deduction of up to Rs.1.50 lakhs for interest on loan taken from any financial institution for acquisition of a residential house property subject to the following conditions":-

- a) The loan must be sanctioned by the financial institution between April 1st, 2019 to March 31st, 2020;
- b) The stamp duty value of house property must not exceed Rs.45 lakh; and
- c) Individual should not own any residential house property on the date of sanctioning of loan.

E. Deduction u/s.80EEB :-

A new section 80EEB has been inserted to provide for a deduction of Rs. 1.5 lakhs in respect of interest on loan taken for purchase of an electric vehicle from any financial institution and the loan must be sanctioned by the financial institution between April 1, 2019 to March 31, 2023;

For the purpose of this section, "electric vehicle" means a vehicle which is powered exclusively by an electric motor whose traction energy is supplied exclusively by traction battery installed in the vehicle and has such electric regenerative braking system, which during braking provides for the conversion of vehicle kinetic energy into electrical energy.

So the electric vehicle can be two wheeler to four wheeler.

F. Rate of Income Tax in case of certain individuals (u/s 87A) :-

The rebate under section 87A of the Income Tax Act 1961 has been raised to Rs.12,500/-. It is only applicable for those with net taxable income of upto Rs.5,00,000/- and if the following conditions are to be satisfied to avail this rebate:-

- a. The assessee must be a resident individual
- b. His net taxable income (after availing all standard deductions, Deductions under chapter VIA) must not exceed Rs.5,00,000/-
- c. Rebate is restricted to tax payable or Rs.12,500/-, whichever is less.

G. No notional rent on second house property:-

Finance Act, 2019 has amended section 23(4) to provide that if assessee owns 2 houses or more than he can claim annual value of any of the two house properties as *nil* in accordance with section 23(2).

Thus, if assessee has more than *two* house properties, he can claim that the annual value of any two house properties shall be *nil* which:

- (a) are in occupation of the owner for the purpose of his own residence; or
- (b) cannot actually be occupied by the owner owing to his employment, business or profession carried on at any other place and he has to reside at that other place in a building not belonging to him.

Hence, with effect from assessment year 2020-21, a person will be able to take annual value as *nil* in respect of two house properties instead of one if aforesaid conditions are satisfied.

The consequential amendment has also been made to section 24(b) that the aggregate amount of deduction of interest on loan taken in respect of two residential house properties, whose annual value is treated as *nil* as per section 23(2), shall not exceed Rs. 30,000 or Rs. 2,00,000, as the case may be.

H. Relief in Section 54 Exemption:-

Section 54 exemption allowed for investment in two residential house properties

Amendment made by the Finance Act, 2019

With effect from assessment year 2020-21, the Finance Act, 2019 has amended section 54 to extend the benefit of exemption in respect of investment made in **two** residential house properties. The exemption for investment made, by way of purchase or construction, in **two** residential house properties shall be available if the amount of long-term capital gains does not exceed Rs.2 crores. If assessee exercises this option, he shall not be entitled to exercise this option again for the same or any other assessment year. In other words, the assessee can exercise this option only once in his lifetime.

The benefit of new provision is allowed from assessment year 2020-21 and onwards.

Essential conditions to claim the exemption for investment in two houses from assessment year 2020-21

The exemption under section 54, in respect of **two** residential houses, shall be available if following conditions are satisfied by the assessee:

- (a) The individual or HUF transfers a long-term capital asset, being a residential house property or land appurtenant thereto, on or after April 1, 2019.
- (b) Long-term capital gains, arising from transfer of such capital asset, do not exceed Rs. 2 crores.
- (c) The amount of capital gains is invested, by way of purchase or construction, in *two* residential house properties.
- (d) The purchase of new residential house should be made either within 1 year before the date of the transfer or within 2 years after the date of transfer of original capital asset. In case of construction, the new house should be constructed within 3 years after the date of transfer of old residential house.
- (e) This option can be exercised only once during the lifetime of the assessee. Thus, if this option is exercised, the assessee cannot claim the same benefit in any other assessment year.

As the time limit to buy a new residential house property begins one year before the date of transfer of original capital asset, the exemption under section 54 should be available even if two new house properties are purchased before this provision came into force. In other words, if two new house properties are purchased on or before March 31, 2019 but the original house property is transferred on or after April 1, 2019, the exemption should be available for the investment made in two house properties provided all other conditions are satisfied.

I. TDS on Interest from Bank or Post Office deposits (TDS u/s.194A&Sec 80TTA):-

The deduction available pertaining to the interest u/s 80TTA remains Rs.10,000 for the individual other than senior citizen. For senior citizens, the interest income up to Rs.50,000 will be available as deduction.

J. TDS on cash withdrawal in excess of Rs 1 crore – Section 194N:-

To discourage cash transactions and push digital payments, a new ***Section 194N*** has been inserted to require deduction of tax at source at the rate of 2% if aggregate of cash withdrawn during the financial year from any account maintained with a banking company or cooperative bank or post office exceeds Rs.1 crore. However, this proposal will come into effect from ***September 1, 2019***.

As per this Section, the payer will have to deduct TDS at the rate of 2% on the cash payments/withdrawals of more than Rs.1 crore in a financial year 2019-20. If the payee withdraws a sum of money on regular intervals, the payer will have to deduct TDS from the amount, once the total sum withdrawn exceeds Rs.1 crore in a financial year. Since, TANGEDCO is having one PAN, the threshold limit of Rs.1 crore would be crossed, taking into account of all cash withdrawals of TANGEDCO in a year. It is requested to restrict the cash payments/withdrawals from Financial Year 2019-20 onwards in order to avoid TDS u/s.194N for which careful deliberations is being held at Head Quarters, for taking corrective measures separately.

K. Increase in threshold limit for TDS under section 194-I - Rent :-

Finance Act, 2019 has increased the threshold limit for deduction of tax under section 194-I for the payment of rent from Rs.1,80,000/- to Rs.2,40,000/-.

L. Tax advantages for Senior Citizens :-

Health Insurance Policy Premium & Section 80D Tax benefits for FY 2019-20 / AY 2020-21			
Scenarios	Health insurance premium paid for & Maximum tax deduction limits		Total Deduction under Section 80D
	Self, Spouse & Dependent Children	Parents (whether dependent or not)	
No one in your family has attained 60 years of age	upto Rs 25,000	upto Rs 25,000	Rs 50,000
The eldest member in Your family (yourself, spouse and dependent children) is less than 60 years & Your Parents (either mother or father) are above 60 years of age)	upto Rs 25,000	upto Rs 50,000*	Rs 75,000
The eldest member in Your family (yourself, spouse and dependent children) has attained 60 years & Your Parents (either mother or father) are above 60 years of age)	upto Rs 50,000*	upto Rs 50,000*	Rs 1,00,000

*Nature of Amount spent can be towards Medical Expenditure as well www.relakhs.com

1. Exemption for Medical treatment of **senior citizens** for specific critical illnesses u/s.80DDB has been raised to Rs.one lakh.

M. Enhanced tax benefit on gratuity :-

The tax exemption allowed on gratuity has been increased to Rs.20 lakhs. The Employees receiving gratuity on or after 1st April 2018 can avail the increased tax benefit on gratuity.

N. Furnishing Form 12BB :-

Further, as per Notification No.30/2016, dt.26.04.2016 issued by CBDT every employee shall furnish Form 12BB as under:-

The employee shall furnish to the person responsible for making payment of salary, the evidence for the purpose of estimating his/her income for computing TDS.

Nature of claim	Evidence
HRA	Name, address and PAN of landlord where aggregate rent paid during previous year exceeds Rs.1 lakh
Deduction of interest under Income from House property	Name, address and PAN of the banker
Deduction under Chapter VIA	Evidence of expenditure

O. Fee for Default in furnishing return of income :-

A new Section 234F has been inserted in Income Tax Act 1961 with effect from Assessment Year 2018-19 (Financial Year 2017-18). As per this Section, Fee (Penalty) is levied if the Income Tax Return is not filed within the due date, the fee (Penalty) will be as follows:-

Total Income	Return filed	Fee (Penalty)
Exceeds Rs. 5 Lakh	On or before 31st December of Assessment Year	Rs. 5,000/-
	In any other case	Rs. 10,000/-
Upto Rs. 5 Lakh	After due date	Rs. 1,000/-

II. TDS ON PAYMENTS OTHER THAN SALARY :-

TDS rates on payments other than salary to resident and Non-resident are enclosed in the Annexure.

Sl. No.	Nature of payment	Section	Threshold limit/ basic cut-off p.a.
1.	Payment of Interest on Securities by Company	193	10,000
2.	Payment of Interest by others	194A	5,000
3.	Payment to Contractors by any person	194C	30,000 (single bill) or 1 lakh aggregate bills during the year
4.	Payment of commission or Brokerage	194H	15,000
5.	Payment of rent on land, building, furniture and fittings.	194I	2,40,000
6.	Payment made on account of transfer of immovable property other than agriculture land.	194IA	50,00,000
7.	Payment of Professional Fees to call centers	194J	30,000
8.	Compensation on transfer of certain immovable property than Agriculture Land	194LA	2,50,000

III. TCS ON SALE OF SCRAP :-

In order to strengthen the PAN mechanism, section 206CC has been inserted with effect from April 1, 2017 itself. The provisions of Section 206CC are given below:

- Tax collection at higher rate – The buyer of scrap has to furnish PAN to TANGEDCO. If PAN is not intimated, tax shall be collected at twice the normal rate or at the rate of 5 percent, whichever is higher. This may be noted while placing sales order itself.
- PAN to be quoted in all correspondence – The collectee shall furnish his PAN to the Collector (TANGEDCO) and both shall indicate the same in all correspondence, bills and vouchers exchanged between them.
- Invalid PAN – Where the PAN provided by the collectee is invalid or it does not belong to the collectee, it shall be deemed that PAN has not been furnished to the collector. Thus, all such new PANs shall be verified in website, before processing of tender, sales order etc.
- Not applicable if collectee is non-resident – The above provisions of section 206CC shall not apply in the case of a non-resident collectee who does not have any permanent establishment in India.

IV) POINT OF DEDUCTION OF TDS :

Salary : At the time of payment of salary
Other payment : when expense is paid or credited including credit to 'payable' or 'suspense' Account.

Thus, provisional Journal Vouchers made at the end of accounting year would also account TDS, and to be remitted.

TDS at a higher rate of 20% or TDS rate, whichever is higher has to be deducted if the deductee does not provide PAN to TANGEDCO. In case of salary where PAN is not provided, TDS is to be deducted at maximum rate applicable on such employee, based on his computed salary.

ii) Due date for depositing TDS :

Month	Salary	Other payments
April to February	7 th of next month	7 th of next month
March	30 th April	30 th April

iii) Consequences of failure to deduct TDS :

Interest :Interest @ 1% per month from the date when TDS was deductible till date of actual deduction.

Penalty u/s.271C :Failure to deduct TDS, Penalty equal to the amount of tax which such person failed to deduct or pay.

iv) Consequences of failure to deposit Tax/Late payment: Interest @ 1½% per month from date of deduction till date of actual payment.

v) Due date for filing Quarterly TDS& TCS statements :

Quarter ending	Due date for TDS	Due date for TCS
30 th June	31 st July of Financial Year	15 th July of Financial Year
30 th September	31 st October of Financial Year	15 th October of Financial Year
31 st December	31 st January of Financial Year	15 th January of Financial Year
31 st March	31 st May of immediately following Financial Year	15 th May of immediately following Financial Year

vi) Penal provisions for default in submitting returns :

Section 234 E	Failure to file TDS return in time	Fine of Rs.200/- every day during which failure continues subject to the maximum of TDS amount
Section 271H	Defaults for more than 1 year in filing TDS statements, furnishes incorrect PAN, TDS amount, Challan particulars etc.	Penalty shall not be less than 10,000/- but which extend upto Rs.1,00,000/-.

vii) Avoidance of TDS default :

Detailed instructions were already issued on the nature of TDS defaults persisting in Circles, Penalty involved in the past years, Rectification measures to be initiated etc. It has been specifically instructed that those TDS defaults shall not be continued from April 2018 onwards and responsibility will be fixed on the erring official. Thus, utmost care shall be taken while filing e-TDS returns every quarter, monitoring the errors in returns for immediate rectification, avoidance of delay in remittance, return filing etc.

Periodical review of TDS defaults in your Circle has to be conducted for rectification at an early stage (i.e.) in next quarter itself. Personal attention of Superintending Engineers/Financial Controllers are required for such review of TDS defaults, so as to take pro-active action.

P. TDS at the time of purchase of immovable property :-

Section 194IA relates to payment on transfer of certain immovable property other than agricultural land and provides for levy of TDS @ 1% on the amount of consideration. It is noted that in the transaction involving purchase of immovable property, there are other types of payments besides the sale consideration and the buyer is contractually bound to make such payments to the builder/seller, either under the same agreement or under different agreement. The term consideration shall include all charges of the nature of club membership fees, car parking fee, maintenance fee, electricity & water facility fee (w.e.f. 1st September 2019).

On getting approval for land purchase for any purpose, this TDS provision applicability has to be reviewed and complied with before making payment to land sellers.

Q. Payment exceeding Rs.10000 by Cash/open cheque :-

Section 40A provides for disallowance of any expenditure for which payment exceeding Rs.10,000/- is made through any mode other than an account payee cheque or an account payee bank draft or using ECS through a bank account. Section 43 (2) specifies that where an assessee incurs any expenditure for the purchase of an asset or part thereof and in respect of such acquisition, he makes a payment or aggregate of payments exceeding Rs.10,000/- in a day to a person in any mode other than account payee cheque or account payee bank draft or using the ECS through a bank account then such expenditure shall not be included in the determination of the actual cost. In other words TANGEDCO will lose depreciation benefit under the Income Tax Act.

Efforts shall be taken to avoid such payments exceeding Rs.10000/- in the form of Cash or Uncrossed Cheque.

R. Return of Income :-

Section 139 has been amended with the following. It also mandates the person to file Return of Income if Individual,

- a. has deposited an amount or aggregate of amount exceeding Rs. 1 crore in one or more in current account, or
- b. he has incurred expenditure of an amount or aggregate of amount exceeding Rs.2 lakhs or more on foreign travel for himself or any other person or
- c. he has incurred expenditure of Rs. 1 lakh or more on electricity consumption.

It has been further amended vide Sec 139AA in the Finance bill to quote Aadhaar number mandatorily.

Sec 139AA. (1) Every person who is eligible to obtain Aadhaar number shall, on or after the 1st day of July, 2017, quote Aadhaar number:

- (i) in the application form for allotment of permanent account number;
- (ii) in the return of income:

If the person does not possess the Aadhaar Number, the Enrolment ID of Aadhaar application form issued to him at the time of enrolment shall be quoted in the application when he applies the PAN number and also in the return of income furnished by him every year.

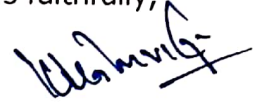
(2) Every person who has been allotted permanent account number as on the 1st day of July, 2017, and who is eligible to obtain Aadhaar number, shall intimate his Aadhaar number.

“If in case of failure to intimate the Aadhaar number, the permanent account number allotted to the person shall be deemed to be invalid and shall be treated as a person who does not possess PAN.”

A copy of Charts showing the rates of TDS and TCS (Tax Deduction at Source and Tax Collection at Source) for the Financial Year 2019-20 (Assessment year 2020-21) are communicated herewith for reference and strict adherence.

Receipt of this circular letter shall be acknowledged by e-mail only to dfctaxation@tnebnnet.org.

Yours faithfully,



CHIEF FINANCIAL CONTROLLER/GL.

Encl.: TDS and TCS Charts & Form 12BB ... 7 pages

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Rates for tax deduction at source

0.6 Tax is deductible at source at the rates given in table (*infra*). If PAN of the deductee is not intimated to the deductor, tax will be deducted at source by virtue of section 206AA either at the rate given in the table or at the rate of 20 per cent, whichever is higher†. Further, under section 94A(5), if payment or credit is made or given to a deductee who is located in a notified jurisdictional area‡, tax is deductible at the rate given in the table or at the rate of 30 per cent, whichever is higher. TDS rates for the financial year 2019-20 are as follows –

Category A - When recipient is resident	
<i>Nature of payment</i>	<i>TDS (SC : Nil, HEC : Nil)</i>
● Sec. 192 - Payment of salary [normal tax rates are applicable – see para 0.1-1b, SC : 10% (if total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore), 15% (if total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore), 25% (if total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore) or 37% (if total income exceeds Rs. 5 crore), HEC : 4%]	—
● Sec. 192A - Payment of taxable accumulated balance of provident fund	10
● Sec. 193 - Interest on securities—	
<i>a.</i> interest on (a) debentures/securities for money issued by or on behalf of any local authority/statutory corporation, (b) listed debentures of a company [not being listed securities in demat form], (c) any security of the Central or State Government [<i>i.e.</i> , 8% Savings (taxable) Bonds, 2003 and 7.75% Savings (taxable) Bonds, 2018 but not any other Government security]	10
<i>b.</i> any other interest on securities (including interest on non-listed debentures)	10
● Sec. 194 - Dividend—	
<i>a.</i> deemed dividend under section 2(22)(e)	<i>Nil</i>
<i>b.</i> any other dividend	<i>Nil</i>
● Sec. 194A - Interest other than interest on securities	10
● Sec. 194B - Winnings from lottery or crossword puzzle or card game or other game of any sort	30
● Sec. 194BB - Winnings from horse races	30
● Sec. 194C - Payment or credit to a resident contractor/sub-contractor—	
<i>a.</i> payment/credit to an individual or a Hindu undivided family	1
<i>b.</i> payment/credit to any person other than an individual or a Hindu undivided family	2

†However, this rule is subject to following modifications –

- *Case 1* - The provisions of section 206AA are not applicable in respect of payment of interest on long-term bonds to a non-resident under section 194LC.
- *Case 2* - Where tax is deductible on the strength of the provisions of DTAAs which is lower than 20 per cent, the provisions of section 206AA cannot be invoked (to compel the assessee to deduct tax at the rate of 20 per cent) even if the recipient does not have PAN – *DIT v. Serum Institute of India Ltd.* [2015] 56 taxmann.com 1 (Pune - Trib.), *CIT (International Taxation) v. Infosys BPO Ltd.* [2015] 60 taxmann.com 465 (Bang.).
- *Case 3* - If the recipient does not furnish PAN, tax will be deducted under section 192A at the maximum marginal rate of tax (*i.e.*, 42.744 per cent) and not at the rate of 20 per cent given by section 206AA.
- *Case 4* - The provisions of section 206AA are not be applicable, if a few conditions prescribed by rule 37BC[§] are satisfied. Under this rule, the deductee is required to submit the following to deductor (to avoid application of section 206AA) – (a) name, e-mail id, contact number; (b) address in the foreign country; (c) tax residency certificate issued by the foreign Government; and (d) Tax Identification Number issued by the foreign country.

‡ 'Cyprus' was specified as notified jurisdictional area for purposes of section 94A *vide* Notification No. SO 3307(E)[§], dated November 1, 2013. However, this notification has been rescinded with effect from November 1, 2013 (except as respects things done or omitted to be done before such rescission) *vide* Notification No. SO 4033(E), dated December 14, 2016[§].

[§] For rule 37BC, Notification No. SO 3307(E), dated November 1, 2013 and Notification No. SO 4033(E), dated December 14, 2016, log on to taxmann.com/readyreckoner.aspx.

Category A - When recipient is resident	
<i>Nature of payment</i>	<i>TDS (SC : Nil, HEC : Nil)</i>
<ul style="list-style-type: none"> ● Sec. 194D - Insurance commission— <ul style="list-style-type: none"> - if recipient is a resident (other than a company) - if recipient is a domestic company 	5 10
<ul style="list-style-type: none"> ● Sec. 194DA - Payment in respect of life insurance policy [when exemption is not available under section 10(10D)] – <ul style="list-style-type: none"> - Up to August 31, 2019 : 1% of amount payable - With effect from September 1, 2019 : 5% of the amount of income comprised in payment 	1 5
● Sec. 194EE - Payment in respect of deposits under National Savings Scheme, 1987	10
● Sec. 194F - Payment on account of repurchase of units of MF or UTI	20
● Sec. 194G - Commission on sale of lottery tickets	5
● Sec. 194H - Commission or brokerage	5
<ul style="list-style-type: none"> ● Sec. 194-I - Rent— <ul style="list-style-type: none"> a. rent of plant and machinery b. rent of land or building or furniture or fitting 	2 10
● Sec. 194-IA - Payment/credit of consideration to a resident transferor for transfer of any immovable property (other than rural agricultural land)	1
● Sec. 194-IB - Payment/credit of rent by an individual/HUF (if not subject to tax audit under section 44AB in the immediately preceding financial year)	5
● Sec. 194-IC - Payment under joint development agreement to a resident individual/HUF (who transfers land/building)	10
<ul style="list-style-type: none"> ● Sec. 194J - Professional fees, technical fees, royalty or remuneration to a director – <ul style="list-style-type: none"> - If payee is engaged only in the business of operation of call centre - Any other payment/credit 	2 10
● Sec. 194LA - Payment of compensation on acquisition of certain immovable property	10
● Sec. 194LBA(1) - Payment of the nature referred to in section 10(23FC) section 10(23FC)(a)/(23FCA) by business trust to resident unit holders	10
● Sec. 194LBB - Payment in respect of units of investment fund specified in section 115UB	10
<ul style="list-style-type: none"> ● Sec. 194LBC(1) - Payment in respect of an investment in a securitisation trust specified in clause (d) of the <i>Explanation</i> occurring after section 115TCA— <ul style="list-style-type: none"> - if recipient is an individual or a Hindu undivided family - if recipient is any other person 	25 30
● Sec. 194M - Payment/credit to a resident contractor or resident professional or payment/credit by way of commission/brokerage (applicable with effect from September 1, 2019)	5
● Sec. 194N - Payment from one or more accounts to an account holder in cash by bank/co-operative bank/post office in excess of Rs. 1 crore in the financial year (applicable with effect from September 1, 2019)	2

Category B - When recipient is non-resident or foreign company										
Aggregate payment or credit subject to TDS during the financial year 2019-20 →	If recipient is non-resident individual/HUF/AOP/BOI/artificial juridical person					If recipient is non-resident co-operative society/firm		If recipient is non-domestic company		
	0 - Rs. 50 lakh	Rs. 50 lakh - Rs. 1 crore	Rs. 1 crore - Rs. 2 crore	Rs. 2 crore - Rs. 5 crore	Above Rs. 5 crore	0 - Rs. 1 crore	Above Rs. 1 crore	0 - Rs. 1 crore	Rs. 1 crore - Rs. 10 crore	Above Rs. 10 crore
	TDS + HEC : 4%	TDS + SC : 10% + HEC : 4%	TDS + SC : 15% + HEC : 4%	TDS + SC : 25% + HEC : 4%	TDS + SC : 37% + HEC : 4%	TDS + HEC : 4%	TDS + SC : 12% + HEC : 4%	TDS + HEC : 4%	TDS + SC : 2% + HEC : 4%	TDS + SC : 5% + HEC : 4%
Nature of payment										
● Sec. 192 - Payment of salary [normal tax rates are applicable - see para 0.1-1b SC : 10% (if total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore), 15% (if total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore), 25% (if total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore) or 37% (if total income exceeds Rs. 5 crore), HEC : 4%]	-	-	-	-	-	-	-	-	-	-
● Sec. 192A - Payment of taxable accumulated balance of provident fund	10.4	11.44	11.96	13	14.248	-	-	-	-	-
● Sec. 194B - Winnings from lottery or crossword puzzle or card game or other game of any sort	31.2	34.32	35.88	39	42.744	31.2	34.944	31.2	31.824	32.76
● Sec. 194BB - Winnings from horse races	31.2	34.32	35.88	39	42.744	31.2	34.944	31.2	31.824	32.76
● Sec. 194E - Payment to a non-resident foreign citizen sportsman/entertainer or non-resident sports association	20.8	22.88	23.92	26	28.496	20.8	23.296	20.8	21.216	21.84
● Sec. 194EE - Payment in respect of deposits under National Saving Scheme, 1987	10.4	11.44	11.96	13	14.248	NA	NA	NA	NA	NA
● Sec. 194F - Re-purchase of units of MF or UTI	20.8	22.88	23.92	26	28.496	NA	NA	NA	NA	NA
● Sec. 194G - Commission on sale of lottery tickets	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46
● Sec. 194LB - Payment/credit by way of interest by infrastructure debt fund	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46
● Sec. 194LBA(2) - Payment of the nature referred to in section 10(23FC) or section 10(23FC)(a) by business trust to unit holders	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46
● Sec. 194LBA(3) - Payment of the nature referred to in section 10(23FCA) by business trust to unit holders	31.2	34.32	35.88	39	42.744	31.2	34.944	41.6	42.432	43.68
● Sec. 194LBB - Payment in respect of units of investment fund specified in section 115UB	31.2	34.32	35.88	39	42.744	31.2	34.944	41.6	42.432	43.68
● Sec. 194LBC(2) - Payment in respect of an investment in a securitisation trust specified in clause (d) of the Explanation occurring after section 115TCA	31.2	34.32	35.88	39	42.744	31.2	34.944	41.6	42.432	43.68
● Sec. 194LC - Payment/credit of interest by an Indian specified company on foreign currency approved loan/long-term bonds from outside India	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46
● Sec. 194LD - Interest on a rupee denominated bond of an Indian company or Government security	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46

Category B - When recipient is non-resident or foreign company										
Aggregate payment or credit subject to TDS during the financial year 2019-20 →	If recipient is non-resident individual/HUF/AOP/BOI/artificial juridical person					If recipient is non-resident co-operative society/firm		If recipient is non-domestic company		
	0 - Rs. 50 lakh	Rs. 50 lakh - Rs. 1 crore	Rs. 1 crore - Rs. 2 crore	Rs. 2 crore - Rs. 5 crore	Above Rs. 5 crore	0 - Rs. 1 crore	Above Rs. 1 crore	0 - Rs. 1 crore	Rs. 1 crore - Rs. 10 crore	Above Rs. 10 crore
	TDS + HEC : 4%	TDS + SC : 10% + HEC : 4%	TDS + SC : 15% + HEC : 4%	TDS + SC : 25% + HEC : 4%	TDS + SC : 37% + HEC : 4%	TDS + HEC : 4%	TDS + SC : 12% + HEC : 4%	TDS + HEC : 4%	TDS + SC : 2% + HEC : 4%	TDS + SC : 5% + HEC : 4%
Nature of payment										
● Sec. 194N - Payment from one or more accounts to an account holder in cash by bank/co-operative bank/post office in excess of Rs. 1 crore in the financial year (applicable with effect from September 1, 2019)	2.08	2.288	2.392	2.6	2.8496	2.08	2.3296	2.08	2.1216	2.184
● Sec. 195 - Payment/credit of other sum to a non-resident —										
a. income of foreign exchange assets payable to an Indian citizen	20.8	22.88	23.92	26	28.496	NA	NA	NA	NA	NA
b. income by way of long-term capital gains referred to in section 115E or section 112(1)(c)(iii)	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
c. income by way of long-term capital gains referred to in section 112A	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
d. short-term capital gains under section 111A	15.6	17.16	17.94	19.5	21.372	15.6	17.472	15.6	15.912	16.38
e. any other long-term capital gains [not being covered by sections 10(33), 10(36) and 112A]	20.8	22.88	23.92	26	28.496	20.8	23.296	20.8	21.216	21.84
f. income by way of interest payable by Government/Indian concern on money borrowed or debt incurred by Government or Indian concern in foreign currency (not being interest referred to in section 194LB or 194LC)	20.8	22.88	23.92	26	28.496	20.8	23.296	20.8	21.216	21.84
g. royalty [see Note 5]	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
h. royalty [not being royalty of the nature referred to in (f) <i>supra</i>] [see Note 6] —										
□ where the agreement is made after March 31, 1961 but before April 1, 1976	10.4	11.44	11.96	13	14.248	10.4	11.648	52	53.04	54.6
□ where the agreement is made on or after April 1, 1976	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
i. fees for technical services [see Note 7] —										
□ where the agreement is made after February 29, 1964 but before April 1, 1976	10.4	11.44	11.96	13	14.248	10.4	11.648	52	53.04	54.6
□ where the agreement is made on or after April 1, 1976	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
j. any other income	31.2	34.32	35.88	39	42.744	31.2	34.944	41.6	42.432	43.68
● Sec. 196B - Payment/credit of income from units (including long-term capital gains on transfer of such units) to an offshore fund	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
● Sec. 196C - Payment/credit of interest of foreign currency bonds or GDR (including long-term capital gains on transfer of such bonds) (not being dividend referred to in section 115-O)	10.4	11.44	11.96	13	14.248	10.4	11.648	10.4	10.608	10.92
● Sec. 196D - Payment/credit of income from securities (not being dividend, short-term or long-term capital gain) to Foreign Institutional Investors	20.8	22.88	23.92	26	28.496	20.8	23.296	20.8	21.216	21.84

Notes :

- Under section 192 tax is deductible from salary. The payer shall calculate salary taxable in the hands of recipient. The amount so determined is subject to tax deduction under section 192. Under section 192A, tax is deductible on taxable accumulated balance of provident fund. Under section 195, tax is deductible only if income is taxable in the hands of recipient in India. In any other case, gross payment or credit (without GST, if GST is shown separately) is subject to tax deduction.
- In *Category B*, tax is deductible at the above rates or the rates specified in ADT agreements entered into by the Central Government under section 90 (whichever is lower) [section 2(37A)(iii)] [see Referencer 10].
- Tax is not deductible under section 192A, 193, 194, 194A, 194D, 194DA, 194-I, or 194EE if the recipient makes a declaration in Form No. 15G/15H under the provisions of section 197A [see para 175.4].
- Under section 197 the recipient can apply the Assessing Officer in Form No. 13 to get a certificate of lower/no tax deduction. This benefit is, however, not available if tax is deductible under section 192A, 194B, 194BB, 194E, 194EE, 194F, 194-IA, 194LB, 194LBA, 194LC, 194M, 196B, 196C or 196D [see para 175.5].
- Royalty payable by Government or an Indian concern in pursuance of an agreement made by non-resident with the Government or the Indian concern after March 31, 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 section 115A(1A) to the Indian concern or in respect of computer software referred to in the second proviso to section 115(1A), to a person resident in India.
- Not being royalty of the nature referred to above, payable by Government or an Indian concern in pursuance of an agreement made by non-resident 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 matter included in the industrial policy, the agreement is in accordance with that policy.
- Fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by non-resident 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 matter included in the industrial policy, the agreement is in accordance with that policy.

Rates for tax collection at source

0.7 During the financial year 2019-20, tax shall be collected under section 206C at the rates given in the table (*infra*). If PAN of collectee is not intimated to the collector, tax will be collected by virtue of section 206CC either at twice the rate specified in the table (*infra*) or at the rate of 5 per cent, whichever is higher†.

Aggregate amount subject to TCS during the financial year 2019-20 →	Status of purchaser or licensee or lessee										
	Resident	Non-resident individual/HUF/AOP/BOI/artificial juridical person					Non-resident co-operative society/firm		Non-domestic company		
	Any amount	0-Rs. 50 lakh	Rs. 50 lakh - Rs. 1 crore	Rs. 1 crore - Rs. 2 crore	Rs. 2 crore - Rs. 5 crore	Above Rs. 5 crore	0-Rs. 1 crore	Above Rs. 1 crore	0-Rs. 1 crore	Rs. 1 crore - Rs. 10 crore	Above Rs. 10 crore
	TCS	TCS + HEC : 4%	TCS + SC : 10% + HEC : 4%	TCS + SC : 15% + HEC : 4%	TCS + SC : 25% + HEC : 4%	TCS + SC : 37% + HEC : 4%	TCS + HEC : 4%	TCS + SC : 12% + HEC : 4%	TCS + HEC : 4%	TCS + SC : 2% + HEC : 4%	TCS + SC : 5% + HEC : 4%
Different nature of goods											
Category A (sale of the following) -											
A1. Alcoholic liquor for human consumption (other than Indian made foreign liquor)	1	1.04	1.144	1.196	1.3	1.4248	1.04	1.1648	1.04	1.0608	1.092
A2. Indian made foreign liquor	1	1.04	1.144	1.196	1.3	1.4248	1.04	1.1648	1.04	1.0608	1.092
A3. Tendu leaves	5	5.2	5.72	5.98	6.5	7.124	5.2	5.824	5.2	5.304	5.46
A4. Timber obtained under a forest lease	2.5	2.6	2.86	2.99	3.25	3.562	2.6	2.912	2.6	2.652	2.73
A5. Timber obtained by any mode other than a forest lease	2.5	2.6	2.86	2.99	3.25	3.562	2.6	2.912	2.6	2.652	2.73

† However, the provisions of section 206CC shall not apply in the case of a non-resident collectee who does not have any permanent establishment in India.

Aggregate amount subject to TCS during the financial year 2019-20 →	Status of purchaser or licensee or lessee										
	Resident	Non-resident individual/HUF/AOP/BOI/artificial juridical person					Non-resident co-operative society/firm		Non-domestic company		
	Any amount	0 – Rs. 50 lakh	Rs. 50 lakh – Rs. 1 crore	Rs. 1 crore – Rs. 2 crore	Rs. 2 crore – Rs. 5 crore	Above Rs. 5 crore	0 – Rs. 1 crore	Above Rs. 1 crore	0 – Rs. 1 crore	Rs. 1 crore – Rs. 10 crore	Above Rs. 10 crore
	TCS	TCS + HEC : 4%	TCS + SC : 10% + HEC : 4%	TCS + SC : 15% + HEC : 4%	TCS + SC : 25% + HEC : 4%	TCS + SC : 37% + HEC : 4%	TCS + HEC : 4%	TCS + SC : 12% + HEC : 4%	TCS + HEC : 4%	TCS + SC : 2% + HEC : 4%	TCS + SC : 5% + HEC : 4%
A6. Any other forest produce (not being timber/tendu leaves)	2.5	2.6	2.86	2.99	3.25	3.562	2.6	2.912	2.6	2.652	2.73
A7. Scrap	1	1.04	1.144	1.196	1.3	1.4248	1.04	1.1648	1.04	1.0608	1.092
A8. Minerals, being coal or lignite or iron ore	1	1.04	1.144	1.196	1.3	1.4248	1.04	1.1648	1.04	1.0608	1.092
Category B (grant of lease/licence of the following) - BI. Parking lot, toll plaza, mining and quarrying	2	2.08	2.288	2.392	2.6	2.8496	2.08	2.3296	2.08	2.1216	2.184
Category C (not applicable with effect from April 1, 2017)	-	-	-	-	-	-	-	-	-	-	-
Category D (sale of the following whether payment is received by cheque or by any other mode) - DI. Motor vehicle of the value exceeding Rs. 10 lakh	1	1.04	1.144	1.196	1.3	1.4248	1.04	1.1648	1.04	1.0608	1.092

Tax on dividend distribution, distribution by way of buy-back of shares and non-repatriation of excess money in secondary adjustment [Secs. 115-O, 115QA and 92CE]

0.8 These rates are given below -

0.8-1 Under sections 115-O and 115QA - Tax rates applicable on distribution under sections 115-O and 115QA during the financial year 2019-20 are as follows -

	Distribution tax (as a % of amount distributed)	Surcharge (as a % of distribution tax)	HEC (as a % of distribution tax and surcharge)	Total (as a % of amount distributed)
● Tax on dividend under section 115-O [not applicable in the case of deemed dividend under section 2(22)(e)]	17.647*	12	4	20.5552941
● Tax on dividend under section 115-O [applicable in the case of deemed dividend under section 2(22)(e)]	30	12	4	34.944
● Tax on distributed income of domestic company under section 115QA for buy-back of unlisted shares (up to July 4, 2019) or any shares (on or after July 5, 2019)	20	12	4	23.296

0.8-2 Under section 92CE - Under section 92CE(2A), additional income-tax is payable at the rate of 18 per cent of excess money (+ surcharge: 12 per cent of tax + HEC : 4 per cent of tax and surcharge). Effective rate of tax is 20.9664 per cent.

*15/85 of amount distributed.

FORM NO.12BB

(See rule 26C)

1. Name and address of the employee:			
2. Permanent Account Number of the employee:			
3. Financial year:			
Details of claims and evidence thereof			
SI No.	Nature of claim	Amount (Rs.)	Evidence / particulars
(1)	(2)	(3)	(4)
1	<p>House Rent Allowance:</p> <p>(i) Rent paid to the landlord</p> <p>(ii) Name of the landlord</p> <p>(iii) Address of the landlord</p> <p>(iv) Permanent Account Number of the landlord</p> <p>Note: Permanent Account Number shall be furnished if the aggregate rent paid during the previous year exceeds one lakh rupees</p>		
2	Leave travel concessions or assistance		
3	<p>Deduction of interest on borrowing:</p> <p>(i) Interest payable/paid to the lender</p> <p>(ii) Name of the lender</p> <p>(iii) Address of the lender</p> <p>(iv) Permanent Account Number of the lender</p> <p>(a) Financial Institutions(if available)</p> <p>(b) Employer(if available)</p> <p>(c) Others</p>		
4	<p>Deduction under Chapter VI-A</p> <p>(A) Section 80C,80CCC and 80CCD</p> <p>(i) Section 80C</p> <p>(a)</p> <p>(b)</p> <p>(c)</p> <p>(d)</p> <p>(e)</p> <p>(f)</p> <p>(g)</p> <p>(ii) Section 80CCC</p> <p>(iii) Section 80CCD</p> <p>(B) Other sections (e.g. 80E, 80G, 80TTA, etc.) under Chapter VI-A.</p> <p>(i) section.....</p> <p>(ii) section.....</p> <p>(iii) section.....</p> <p>(iv) section.....</p> <p>(v) section.....</p>		
Verification			
I,.....,son/daughter of..... do hereby certify that the information given above is complete and correct.			
Place.....		(Signature of the employee) Full Name	
Date.....			
Designation			