



**CMA Dipankar Biswas**  
Asst. Manager (F&A) of WBPDCCL

## SEC 206 AB AND 206 CCA OF THE INCOME TAX ACT 1961

Particulars	Section 206 AB	Section 206 CCA
<b>Applicability</b>	It is for imposition of TDS on Services in case of Specified Persons	It is for imposition of TCS on Goods in case of Specified Persons
<b>Conditions of Applicability</b>	1. Persons (as defined in Sec. 2(31) of the IT Act, 1961) has not filed the ITR for 2 Previous Years.	1. Persons (as defined in Sec. 2(31) of the IT Act, 1961) has not filed the ITR for 2 Previous Years.
	2. The time limit for filing the ITR U/S 139(1) has expired	2. The time limit for filing the ITR U/S 139(1) has expired
	3. Aggregate of TDS/TCS at source in each of these 2 F.Y is Rs. 50000 or more.	3. Aggregate of TDS/TCS at source in each of these 2 F.Y is Rs. 50000 or more.
	<b>If the above 3 conditions are satisfied, the Person will be treated as Specified Person and the above Sections will be applicable.</b>	
<b>Rate</b>	<b>HIGHER OF THE FOLLOWING</b>	<b>HIGHER OF THE FOLLOWING</b>
	1. at twice the rate specified in the relevant provision of the ACT.	1. at twice the rate specified in the relevant provision of the ACT.
	2. at twice the rate or rates in force (for some cases, applicable rates of tax is reduced or increased by the IT Dept.)	<b>N.A</b>
	3. at the rate of 5%	3. at the rate of 5%
	<b>the rate of 5% will be 20% in case of non-furnishing of PAN as per Sec.206 AA and 206 CC</b>	
<b>Effective Date</b>	w.e.f 1st July, 2021	w.e.f 1st July, 2021

Both the sections are not applicable for the following cases		
<b>Non Applicability</b>	(1) to a Non-Resident who does not have a Permanent Establishments in India	
	(2) against the following 6 sections	
	Section 192 for Salary	Taxable as per Tax Slabs
	Section 192A for payment of accumulated balance of PF due to an employee	<a href="#">Taxable@10% on exceeding of Rs. 50000</a>
	Section 194B for winnings from lottery or crossed puzzle	<a href="#">Taxable@30% on exceeding of Rs. 10000</a>
	Section 194BB for winnings from horse race	<a href="#">Taxable@30% on exceeding of Rs. 10000</a>
	Section 194LBC for income in respect of investment in securitisation trust	<a href="#">Taxable@25% against individual or H.U.F and 30% against others</a>
	Section 194N for payment of certain amount in cash	<a href="#">Taxable @ 2%</a>
<b>Penal Provision</b>	Assessee in Default	Assessee in Default
	Disallowance of the expenditure	Disallowance of the expenditure
	Interest on late payment due to short deduction/collection of tax	Interest on late payment due to short deduction/collection of tax
	penalties	penalties