

192. Salary.

192.⁸²(1) Any **person responsible for paying any income** chargeable under the head "Salaries" shall,

- at the time of payment,
- **deduct** income-tax on the amount payable
- **at** the **average** rate of income-tax computed
 - on the basis of the **rates in force** for the **financial year** in which the payment is made,
 - on the **estimated** income of the assessee under this head for that financial year.

Rate in Force – Finance Act – 2019 – FY 2019 -20 –

1. FA -Section 2(9) – Rate for TDS of Salary – Rates specified in Part III of 1st Schedule of FA
2. Section 206AA – PAN is required - else Higher rate – Act / rate in force /20% Whichever is Higher is applicable

Person Responsible for paying – Means – for salaries

Section 204 (i) – non-Govt – Payer himself / company itself or Principle officer

Section 204 (iv) – Govt – DDO or any other person

Lower /Nil -Rate – u/s 197 r/w Rule 28, 28AA

1. Step 1 – **Rule 28** - application by employee – to AO– in Form 13
2. Step 2 – AO issues certificate that No Deduction or Lower Deduction of Tax u/s 197
 - a. **Rule 28AA(4)** - to (direct) the **person responsible** for making TDS [employer / DDO]
 - b. **Proviso to Rule 28AA(4)** to Assessee --
3. Step 3 -- then the DDO should take into account such certificate and deduct tax on the salary payable at the rates mentioned therein.
4. The Unique Identification Number of the certificate is required to be reported in Quarterly Statement of TDS (**Form 24Q**).

Failure to Deduct

Section 201 (1) – deemed Assessee in default --**Subject to section 191**

Section 200 (1A) – simple Interest – 1% and 1.5%

Section 271C(1)(a) – Penalty = amount failed to deduct tax

Estimate Income – “under this head” = salary

1. Exempt Income not to be included for computing TDS u/s 192
- 2.

Estimated Total Income for section 192	Amount
Estimated Income Under Head salary (after s-10 exemption) - for section 192	XX
Other Head - for section 192	
Income from House Property / Loss - 2,00,000	XX
Income from PGBP (no loss)	XX
Income from CG (no loss)	XX
Income from other sources (no loss)	XX
Total Gross Total Income for section 192	XXX
Deduction U/CH-VI-A	(XX)
Estimated Total Income for section 192	XXX

Tax - as per slab	Amount
Estimated Gross Tax Liability	XX
Less : Rebate -87A	(xx)
Relief (AO on Application) -89(1)	(xx)
Total Tax Liability	XX
Add : Surcharge	XX
	XX
Less: Marginal Relief	(xx)
	XX
Add : Education Cess 4% - If No PAN	XX
Estimated Tax Payable	XX
TDS Each Month = divide by no of months in employment	xx

(1A) Without prejudice to the provisions contained in sub-section (1),

- the person responsible for paying
 - any income in the nature of a **perquisite**
 - which is **not** provided for by way of **monetary** payment, referred to in clause (2) of section 17,
- **may pay**, at his **option**, **tax** on the whole or part of such income **without** making any **deduction** therefrom
- at the **time** when such tax was otherwise deductible under the provisions of sub-section (1).

1. Section 200(2) -- Option for Employer – not to Deduct Tax on non-monetary perquisites u/s 192(1A) – But has obligation to Pay tax himself at time of payment of salary (i.e., each month) within time u/s 200(2)
2. Exemption u/s 10(10CC) – Tax paid on non-monetary perquisites - in the hands of employee.

(1B) For the purpose of paying tax under sub-section (1A),

- tax shall be determined
- at the **average** of income-tax computed
 - on the basis of the **rates in force** for the **financial year**,
 - **on** the income **chargeable** under the head "**Salaries**" **including** the income referred to in sub-section (1A),
- and the tax so payable shall be **construed as if** it were, a tax deductible at source, from the income under the head "Salaries" as per the provisions of sub-section (1),
- and shall be subject to the provisions of this Chapter.

1. "Chargeable U/ H salary" - Exempt Income u/s 10 – not to be included in computation of salary.
2. Rate in force in FY – Part III- TDS rates

Computation - Avg Income Tax - TDS u/s 192(1A)	59 years	FA 2018	FA 2019
Income head —Salaries inclusive of all perquisites		450000	600000
Non-monetary perquisites (included above)		50000	50000
Tax -			
Upto 2,50,000	0%		
2,50,000 to 5,00,000	5%	10000	17500
Rebate u/s 87A			
Surcharge	4%	400	700
Tax on Total Salary (including Cess)		10400	18200
Average Rate of Tax [(Tax on salary/salary including Non-Monetary) X 100]	%	2.31%	3.03%
Tax payable = on Non-Monitory Perquisite X Avg Rate		1155.56	1516.67
Amount required to be deposited each month	12	96.30	126.39

(1C) For the purposes of deducting or paying tax under sub-section (1) or sub-section (1A), as the case may be,

- a person, being an eligible **start-up** referred to in section **80-IAC**,
- responsible for paying any income to the assessee being perquisite of the nature specified in **clause (vi)** of sub-section (2) of **section 17** in any previous year relevant to the assessment year, beginning on or after the 1st day of April, 2021,
- shall deduct or pay, as the case may be,
- tax on such income within fourteen days—
 - (i) after the expiry of forty-eight months from the end of the relevant assessment year; or
 - (ii) from the date of the sale of such specified security or sweat equity share by the assessee; or
 - (iii) from the date of the assessee ceasing to be the employee of the person,
 whichever is the earliest,

- on the basis of rates in force for the financial year in which the said specified security or sweat equity share is allotted or transferred.

(2) Where, during the financial year, an assessee

- is **employed simultaneously** under more than one employer, or
- where he has held **successively employment** under more than one employer,
- he **may furnish** to the person responsible for making the payment referred to in sub-section (1)
- (being *one of the said employers* as the assessee may, having regard to the circumstances of his case, choose),
- such details of
 - the income under the head "Salaries" due or received by him from the other employer or employers,
 - the tax deducted at source therefrom and such other particulars,
- in such form and
 - verified in such manner as may be **prescribed**,
- and thereupon the person responsible for making the payment referred to above **shall take into account** the details so furnished for the purposes of making the deduction under sub-section (1).

1. Employee – May choose any employer
2. Employer – Shall consider other employment
3. Prescribed Form - Form No. 12B.

Rule 26A

26A. Furnishing of particulars of income under the head "Salaries"⁴⁹.

26A. (1) The assessee may furnish to the person responsible for making the payment referred to in sub-section (1) of section 192, the **details** of the income under the head "Salaries" due or received by him from the **other employer** or employers referred to in sub-section (2) of that section and of any tax deducted at source from such income in **Form No. 12B**.

(2) The person responsible for paying any income chargeable under the head "Salaries" **shall furnish to the person** to whom such payment is made, a statement giving correct and complete particulars of perquisites or profits in lieu of salary and the value thereof in,—

(a)	relevant columns provided in Form No. 16 , if the amount of salary paid or payable to the employee is not more than one lakh and fifty thousand rupees; or
⁵⁰ [(b)]	Form No. 12BA , if the amount of salary paid or payable to the employee is more than one lakh and fifty thousand rupees, which shall accompany the return of income of the employee.]

Explanation: "Salary" for the purposes of this rule shall have the same meaning as given in rule 3

(2A) Where the assessee,

— being

- a Government servant or
- an employee in
 - a company,
 - co-operative society,
 - local authority,
 - university,
 - institution,
 - association or
 - body

— is entitled to the relief under sub-section (1) of section 89,

- he may furnish to the person responsible for making the payment referred to in sub-section (1),
- such particulars, in such **form and verified** in such manner as may be **prescribed**,

— and thereupon the person responsible as aforesaid shall compute the relief on the basis of such particulars and take it into account in making the deduction under sub-section (1).

Explanation.—For the purposes of this sub-section, "University" means a University established or incorporated by or under a Central, State or Provincial Act, and includes an institution declared under section 3 of the University Grants Commission Act, 1956 (3 of 1956), to be a University for the purposes of that Act.

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| <ol style="list-style-type: none">1. Form No. 10E duly verified by him2. <u>VRS – already claimed – no Relief</u> -- wef 1/04/2010 (AY 2010-11), no such relief shall be granted in respect of any amount received or receivable by an assessee on his voluntary retirement or termination of his service, in accordance with any scheme or schemes of voluntary retirement or in the case of a <u>public sector company</u> referred to in section 10(10C)(i) (read with Rule 2BA), a scheme of voluntary separation, if an exemption in respect of any amount received or receivable on such voluntary retirement or termination of his service or voluntary separation has been claimed by the assessee under section 10(10C) in respect of such, or any other, assessment year. |
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(2B) Where an assessee who receives any income chargeable under the head "Salaries" has, in addition,

— any income chargeable under any **other head of income**

- (**not** being a loss under any such head
 - **other than** the **loss** under the head "Income from **house** property")

— for the same financial year,

— he may send to the person responsible for making the payment referred to in sub-section (1) the particulars of—

- (a) such other income and of any tax deducted thereon under any other provision of this Chapter;
- (b) the loss, if any, under the head "Income from house property",
 - in such **form** and verified in such manner as may be **prescribed**,
 - and thereupon the person responsible as aforesaid shall take—
 - (i) such other income and tax, if any, deducted thereon; and
 - (ii) the loss, if any, under the head "Income from house property",
- also into account for the purposes of making the deduction under sub-section (1) :

Provided that this sub-section shall not in any case have the effect of reducing the tax deductible except where the loss under the head "Income from house property" has been taken into account, from income under the head "Salaries" below the amount that would be so deductible **if** the other income and the tax deducted thereon had not been taken into account.

Rule 26B - [Statement of particulars of income under heads of income other than "Salaries" for deduction of tax at source.]

26B . (1) The assessee may send to the person responsible for making payment under sub-section (1) of section 192, a statement of any income chargeable under any head of income other than "Salaries" (not being a loss under any such head other than the loss under the head "Income from house property"), received by the assessee for the same financial year, and of any tax deducted on such income.

(2) A verification in the following **form** shall be **annexed** to the statement referred to in sub-rule (1),—

FORM OF VERIFICATION

I,(name of the assessee), do declare that what is stated above is true to the best of my information and belief.]

Following details shall be obtained and kept by the employer in respect of **loss** claimed under the head — Income from house property separately for **each house** property:

- a) Gross annual rent/value
- b) Municipal Taxes paid, if any
- c) Deduction claimed for interest paid, if any
- d) Other deductions claimed
- e) Address of the property

- (2C) A person responsible for paying any income chargeable under the head "Salaries"
- shall furnish to the person to whom such payment is made
 - a **statement** giving correct and complete
 - particulars of perquisites or profits in lieu of salary provided to him and
 - the value thereof
 - in such form and manner as may be **prescribed**.

Rule 26A(2) (a) - Form -16 itself - if Salary is < 1,50,000

Rule 26A(2) (b) –Form 12BA separate – if salary is > 150,000

Note: Tax paid on perquisites u/s 192(1A) – Form 16

272A. Penalty for failure to answer questions, sign statements, furnish information, returns or statements, allow inspections, etc.

(2) If any person fails — {responsible for paying salary}

(i) to furnish a **statement** as required by sub-section (2C) of section 192; he **shall** pay, by way of penalty, a sum of **one hundred** rupees for every day during which the failure continues:

Section 139C of the Act, the Assessing Officer can require the taxpayer to produce Form 12BA along with Form 16, as issued by the employer.

(2D) The person responsible **for** making the payment referred to in sub-section (1) **shall**,
— for the purposes of estimating income of the assessee or computing tax deductible under sub-section (1),
— **obtain** from the assessee the **evidence** or **proof** or particulars of prescribed claims (including claim for set-off of **loss**) under the provisions of the Act in such form and manner as may be **prescribed**.

Rule 26C – Form No 12BB - Evidence

26C. Furnishing of evidence of claims by employee for deduction of tax under section 192.

26C. (1) The assessee shall furnish to the person responsible for making payment under sub-section (1) of section 192, the **evidence** or the particulars of the claims referred to in sub-rule (2), in **Form No.12BB** for the purpose of estimating his income or computing the tax deduction at source.

(2) The assessee shall furnish the evidence or the particulars specified in column (3), of the Table below, of the claim specified in the corresponding entry in column (2) of the said Table:—

Table

<i>Sl. No</i>	<i>Nature of claims</i>	<i>Evidence or particulars</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
1.	House Rent Allowance.	Name, address and permanent account number of the landlord/landlords where the aggregate rent paid during the previous year exceeds rupees one lakh .
2.	Leave travel concession or assistance.	Evidence of expenditure.
3.	Deduction of interest under the head "Income from house property".	Name, address and permanent account number of the lender.
4.	Deduction under Chapter VI-A.	Evidence of investment or expenditure.]

1. Completion Certificate - From Local Authority (BBMP) / Builder / Self Declaration – (this date will be used to prove construction is completed within 5 years of borrowing – (to ensure interest for more than 5 years of pre-construction is not claimed).
2. Loan – Interest Certificate – must be obtained from lender.

(3) The person responsible for making the payment referred to in sub-section (1) or sub-section (1A) or sub-section (2) or sub-section (2A) or sub-section (2B) may, at the time of making any deduction,

- increase or reduce the amount to be deducted under this section for the purpose of adjusting any excess or deficiency arising out of any previous deduction or failure to deduct during the financial year.

(4) The **trustees** of a recognised provident fund, or any person **authorised** by the regulations of the fund to make payment of accumulated balances due to employees, shall,

- in cases where sub-rule (1) of rule 9 of Part A of the Fourth Schedule applies, at the time an accumulated balance due to an employee is paid,
- **make** therefrom the **deduction** provided in **rule 10** of **Part A** of the Fourth Schedule.

Rule 10, Part A, 4th Schedule – Trustee shall do TDS if RPF is not held for continuous period of 5 years (rule 5), and the same is included in Total Income computed as per Rule 9(1) – each year.

(5) Where any contribution made by an employer, including interest on such contributions, if any, in an approved superannuation fund is paid to the employee,

- tax on the amount so paid shall be deducted by the trustees of the fund to the extent provided in **rule 6** of **Part B** of the Fourth Schedule.

Rule 6, Part B, 4th Schedule – Trustee shall deduct and pay to Govt (except 10(13) and /or after life time of employee)

(6) For the purposes of deduction of tax on salary payable in foreign currency, the value in rupees of such salary shall be calculated at the **prescribed rate** of exchange.

Rule 26 → FX rate – Fixed by SBI – rate as on date of TDS

Example – **FA 2019 – Rebate/ Surcharge/ Cess/Slab**

What will be the amount of TDS in case of above employees, if PAN is not submitted by them to their DDOs/Offices:					
Particulars	(i)	(ii)	(iii)	(iv)	(v)
Gross Salary Income (including allowances)	545,000	555,000	1,000,000	5,200,000	10,600,000
Contribution of G.P.F.	45,000	50,000	100,000	100,000	100,000
Computation of Total Income and tax pay	(i)	(ii)	(iii)	(iv)	(v)
Gross Salary	545,000	555,000	1,000,000	5,200,000	10,600,000
Less: Deduction U/s 80C	45,000	50,000	100,000	100,000	100,000
Taxable Income	500,000	505,000	900,000	5,100,000	10,500,000
(A) Tax thereon	12500	13500	92500	1342500	2962500
0%	250000	0	0	0	0
5%	500000-250000	12500	12500	12500	12500
20%	1000000 -500000	0	1000	80000	100000
30%	Actual -1000000	0	0	1230000	2850000
Total tax - as per Slab	12500	13500	92500	1342500	2962500
Less Rebate -u/s 87A - If TI < 500000	12500	0	0	0	0
Tax after Rebate	0	13500	92500	1342500	2962500
Add Surcharge > 50 L =10% / .100 L =15%	0	0	0	134250	444375
	0	13500	92500	1476750	3406875
Less Marginal Relief	0	0	0	64250	94375
Tax + (surcharge - after Marginal Relief)	0	13500	92500	1412500	3312500
4% Add: Health & Education Cess @ 4%.	0	540	3700	56500	132500
Total tax payable	0	14040	96200	1469000	3445000
If Total Income liable to Tax is More than	Tax on 50 / 100 L	Surcharge			
5000000	1312500	10%			
10000000	2812500	15%			

195. Other sums. – Non-Resident

195. (1) Any person responsible for **paying {R/NR}**

- to a **non-resident**,
 - not being a company, or
- to a foreign company,
- any **interest**
 - (not being interest referred to in
 - section 194LB or *[interest from infrastructure debt fund u/s 10(47)] =10%*
 - section 194LC) or *[interest from Indian Co/ Business Trust –on FC –LT Infrastructure bond] =5%*
 - section 194LD or *[interest on certain bonds and Government securities] =5%*
- **any other sum chargeable** under the provisions of this Act
 - (not being income chargeable under the head "**Salaries**")

shall,

- at the time of credit of such income to the account of the payee or
 - at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier,
- deduct income-tax thereon at the **rates in force** : *[= rates mentioned in Finance Act]*

Provided that in the case of **interest** payable **by** *[not at time of credit]*

- the Government or
- a public sector bank within the meaning of clause (23D) of section 10 or
- a public financial institution within the meaning of that clause,

deduction of tax shall be made only at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode:

~~Provided further that~~

- ~~no such deduction shall be made in respect of any dividends referred to in section 115-O.~~

FA- 2020 (payment of Dividend after 1/04/2020) TDS is mandatory for payment to Non-Resident

Explanation 1.—For the purposes of this section, where any interest or other sum as aforesaid is credited to any account, whether called "Interest payable account" or "Suspense account" or by any other name, in the books of account of the person liable to pay such income, such **crediting** shall be deemed to be credit of such income to the account of the payee and the provisions of this section shall apply accordingly.

Explanation 2.—For the removal of doubts, it is hereby clarified that

- the **obligation** to comply with sub-section (1) and to make deduction thereunder
 - **applies** and shall be deemed to have always applied and
 - **extends** and shall be deemed to have always extended
- to all persons,
 - resident or non-resident,
- whether or not the non-resident person has— *{i.e. NR who is liable to deduct TDS}*
 - (i) a residence or place of business or business connection in India; or
 - (ii) any other presence in any manner whatsoever in India.

Analysis

1. “Any **other sum chargeable**”

- a. TDS is required to be deducted only in respect of the income which is chargeable to tax and not otherwise.
- b. Example – Rent on Rural Agriculture land / other exempt income u/s 10.
- c. TDS on Full amount (outflow = payment), not just Income part → In the context of section 195, Supreme Court in case of *Transmission Corporation of A.P. Ltd. v. CIT* [[1999] 239 ITR 587 (SC)] held that 'any other sum chargeable under the provisions of this Act' **would mean 'sum' on which income tax is leviable**. [Tax is to be deducted not just from payments which are wholly incomes; but also from payments where only a portion of the payment may be income [Income embedded in the payment.]]
- d. *GE India Technology Center (P) Ltd. vs. CIT* (2010) 327 ITR 456 (SC)

Note – the word chargeable will apply to Interest as well?

*“any Interest chargeable under this Act” – **yes** – because there is or in between “any interest” or “any other sum” (i.e., No “;” semi colon after interest)*

<p>2. No TDS on Exempt Income -</p> <p>a. Section 10(6A)- Hyderabad Industries Ltd. v. ITO [1991] 59 Taxman 202 (Kar.).</p> <p>b. Section 10(15)(iv)(fa) --CIT v. Manager, SBI [2009] 226 CTR (Raj.) 310</p>
<p>3. Chargeability of income-tax is governed by the provisions of sections 5 & 9 of the Income-tax Act, 1961. Income Chargeable to Tax would attract TDS.</p>
<p>Section 5(2) Subject to the provisions of this Act, the total income of any previous year of a person who is a non-resident includes all income from <u>whatever source</u> derived which—</p> <p>(a) --- is received or --- is deemed to be received in India in such year by or on behalf of such person ; or</p> <p>(b) --- accrues or arises or --- is deemed to accrue or arise to him in India during such year.</p>
<p>Sec 9 – Income deemed to accrue or arise in India</p>
<p>Explanation 2 to section 195</p> <p>4. Section 195 does not make any distinction between payment within India and the payment outside India. The situs of the payment or the source of the payment is not a relevant consideration while applying the provisions of section 195 - Satellite Television Asian Region Ltd. v. Dy. CIT [2006] 99 ITD 91 (Mum. - Trib.).</p>

- (2) Where the **person** responsible for **paying**
- any such sum chargeable under this Act
 - (other than salary)
 - to a non-resident
 - **considers** that the whole of such sum **would not be** income **chargeable** in the case of the recipient,
 - he may make an **application**
 - *in such form and manner*
 - *to the Assessing Officer,*
 - *to determine in such manner, as may be prescribed, [1st day of November, 2019]*
 - ~~to the Assessing Officer~~
 - ~~to determine~~ by general or special order,
 - the appropriate **proportion** of such sum so chargeable,
 - and upon such determination,
 - tax shall be deducted under sub-section (1) only on that **proportion** of the sum which is so **chargeable**.

Analysis

1. Apply to AO – in case of any doubt

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| <ul style="list-style-type: none">2. Application by person paying amount3. “chargeable” (not taxable) – only exemption under section 10 & non-capital assets are not chargeable under IT Act4. AO to determine (not payer or receiver) |
|--|

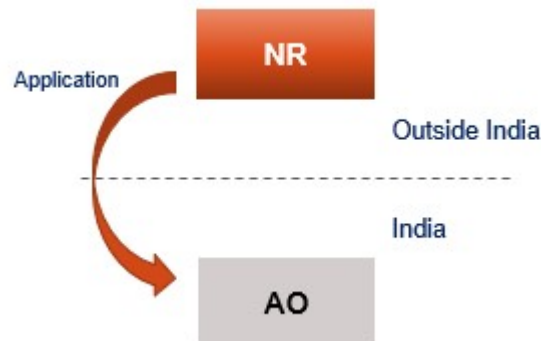
(3) Subject to **rules** made under sub-section (5),

- any **person** entitled to **receive**
 - any interest or
 - other sum
 - on which income-tax has to be deducted under sub-section (1)
- may make an **application** in the **prescribed form** to the Assessing Officer
 - for the grant of a **certificate** authorising him to receive such interest or other sum without deduction of tax under that sub-section,

and

where any such certificate is granted,

- every **person** responsible for **paying** such interest or other sum to the person to whom such certificate is granted shall, so long as the certificate is in force,
- make payment of such interest or other sum without deducting tax thereon under sub-section (1).



(4) A certificate granted under sub-section (3) shall remain in **force**

- till the expiry of the period specified therein or,
- if it is cancelled by the Assessing Officer before the expiry of such period, till such cancellation.

(5) The Board may, having regard to the convenience of assesseees and the interests of revenue, by **notification** in the Official Gazette, make **rules** specifying

- the **cases** in which, and the **circumstances** under which, an **application** may be made for the grant of a certificate under sub-section (3) and
- the **conditions** subject to which such certificate may be granted and providing for all other matters connected therewith.

(6) The person responsible for paying

- to a non-resident,

- not being a company, or
 - to a foreign company,
- any sum,
 - whether or not chargeable under the provisions of this Act,
- shall furnish the information relating to payment of such sum,
 - in such form and manner, as may be prescribed.^{46]}

Rule 37BB and Form Nos. 15CA, 15CB and 15CC.
Penalty under section 271-I = 1,00,000/-
<p>“whether or not chargeable”</p> <ol style="list-style-type: none"> 1. Chargeable – <ol style="list-style-type: none"> a. paid tax – u/s 195(1) b. certificate – u/s 195(3) 2. Not-chargeable – <ol style="list-style-type: none"> a. Not taxable in India (business income of non-resident outside India) - DTAA- Article 7 USA. b. Not capital Asset (Rural Agriculture land) c. exempt – section 9(1)(viii) – Gift to NR being relative / upto 50,000/- d.

- (7) Notwithstanding anything contained in sub-section (1) and sub-section (2),
- the Board may, by notification in the Official Gazette, specify a class of persons or cases,
 - where the person responsible for paying
 - to a non-resident, not being a company, or to a foreign company,
 - any sum, whether or not chargeable under the provisions of this Act,
 - shall make an application
 - in such form and manner
 - to the Assessing Officer,
 - to determine in such manner, as may be prescribed, [1st day of November, 2019]
 - to the Assessing Officer
 - to determine, by general or special order,
 - the appropriate proportion of sum chargeable,
 - and upon such determination,
 - tax shall be deducted under sub-section (1) on that proportion of the sum which is so chargeable.

Whether TDS has to be made on accrual basis or on payment basis under section 195?

- WRT clause (v), clause (vi) or clause (vii) of sub-section (1) of section 9, the section which mentions “Interest Payable“, “Royalty Payable” or “Fee for Technical Services (FTS) Payable“, therefore TDS would be payable on accrual basis,
- However if DTAA is invoked, DTAA mentions “Interest Paid“, “Royalty Paid” and “FTS Paid“. When DTAA is applicable, TDS would be made at the time of

payment instead of accrual basis

To take the advantage of DTAA, one has to obtain the PAN and Tax Residency Certificate (TRC) of the non-resident.

Section 195: Payment of any other sum to a Non-resident (not being company)	
a) Income in respect of investment made by a Non-resident Indian Citizen	20
b) Income by way of long-term capital gains referred to in Section 115E in case of a Non-resident Indian Citizen	10
c) Income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-Section (1) of Section 112	10
d) Income by way of short-term capital gains referred to in Section 111A	15
e) Any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of Section 10]	20
f) Income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in Section 194LB or Section 194LC)	20
g) Income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern 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 sub-section (1A) of Section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of Section 115A of the Income-tax Act, to a person resident in India	10
h) Income by way of royalty [not being royalty of the nature referred to point g) above E] payable by Government or an Indian concern in pursuance of an agreement made by it 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 a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10
i) Income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it 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 a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10
j) Any other income	30

Section 195: Payment of any other sum – Non-domestic company / foreign company	
a) Income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of Section 112	10
b) Income by way of short-term capital gains referred to in Section 111A	15
c) Any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of Section 10]	20
d) Income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in Section 194LB or Section 194LC)	20

e) Income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 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 sub-section (1A) of Section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of Section 115A of the Income-tax Act, to a person resident in India	10
f) Income by way of royalty [not being royalty of the nature referred to in point e) above C] payable by Government or an Indian concern in pursuance of an agreement made by it 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 a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
A. where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50
B. where the agreement is made after the 31st day of March, 1976	10
g) Income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it 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 a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
A. where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50
B. where the agreement is made after the 31st day of March, 1976	10
h) Any other income	40

1.2 where the person is <i>not resident</i> in India-	
Section 192: Payment of Salary	Normal Slab Rate
Section 192A: Payment of accumulated balance of provident fund which is taxable in the hands of an employee.	10
Section 194B: Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
Section 194BB: Income by way of winnings from horse races	30
Section 194E: Payment to non-resident sportsmen/sports association	20
Section 194EE: Payment in respect of deposits under National Savings Scheme	10
Section 194F: Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20
Section 194G: Commission, etc., on sale of lottery tickets	5
Section 194LB: Payment of interest on infrastructure debt fund	5
Section 194LBA(2): Business trust shall deduct tax while distributing any interest income received or receivable by it from a SPV to its unit holders.	5
Section 194LBA(3): Business trust shall deduct tax while distributing any income received from renting or leasing or letting out any real estate asset owned directly by it to its unit holders.	30
Section 194LBB: Investment fund paying an income to a unit holder [other than income which is exempt under Section 10(23FBB)].	30
Section 194LBC: Income in respect of investment made in a securitisation trust (specified in Explanation of section 115TCA)	30
Section 194LC: Payment of interest by an Indian Company or a business trust in respect of money borrowed in foreign currency under a loan agreement or by way of issue of long-term bonds (including long-term infrastructure bond)	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.	
Section 194LD: Payment of interest on rupee denominated bond of an Indian Company or Government securities to a Foreign Institutional Investor or a Qualified Foreign Investor	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.	
Section 195: Payment of any other sum to a Non-resident	
Section 196B: Income from units (including long-term capital gain on transfer of such units) to an offshore fund	10

Section 196C: Income from foreign currency bonds or GDR of an Indian company (including long-term capital gain on transfer of such bonds or GDR)	10
Section 196D: Income of foreign Institutional Investors from securities (not being dividend or capital gain arising from such securities)	20

2.2 where the company is not a domestic company-	
Section 194B: Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
Section 194BB: Income by way of winnings from horse races	30
Section 194E: Payment to non-resident sports association	20
Section 194G: Commission, etc., on sale of lottery tickets	5
Section 194LB: Payment of interest on infrastructure debt fund	5
Section 194LBA(2): Business trust shall deduct tax while distributing any interest income received or receivable by it from a SPV to its unit holders.	5
Section 194LBA(3): Business trust shall deduct tax while distributing any income received from renting or leasing or letting out any real estate asset owned directly by it to its unit holders.	40
Section 194LBB: Investment fund paying an income to a unit holder [other than income which is exempt under Section 10(23FBB)].	40
Section 194LBC: Income in respect of investment made in a securitisation trust (specified in Explanation of section 115TCA)	40
Section 194LC: Payment of interest by an Indian Company or a business trust in respect of money borrowed in foreign currency under a loan agreement or by way of issue of long-term bonds (including long-term infrastructure bond)	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.	
Section 194LD: Payment of interest on rupee denominated bond of an Indian Company or Government securities to a Foreign Institutional Investor or a Qualified Foreign Investor	5
Note: With effect from April 1, 2018 benefit of such concessional TDS rate has been further extended by three years. Now TDS at concessional rate of 5% will be applicable for borrowings made before July 1, 2020.	
Section 195: Payment of any other sum	
Section 196B: Income from units (including long-term capital gain on transfer of such units) to an offshore fund	10
Section 196C: Income from foreign currency bonds or GDR of an Indian company (including long-term capital gain on transfer of such bonds or GDR)	10
Section 196D: Income of foreign Institutional Investors from securities (not being dividend or capital gain arising from such securities)	20