

## TDS Rate Chart for Financial Year 2012-13 and Proposals In Budget, 2013

### Introduction

The table below describes the rates applicable for each section with the threshold limit as well as the person responsible to deduct tax while crediting or making payments to the parties.

Section	Nature of payment	Person responsible to deduct TDS	Type of payee	Rate of TDS	Exemption Limit
192	Salary	All employers	Employee	As applicable to the individual	Basic exemption applicable to individuals (Rs. 2,00,000/ Rs2,50,000)
193	Interest on debentures	All persons	Any resident in India	Domestic Companies and resident Non - Corporate Assesseees - 10%	Up to 30.06.2012 - Rs.2,500/- From 01/7/2012 -Rs. 5,000/-
194	Deemed dividend	Any company	Shareholder (Resident in India)	10%	Rs. 1,000/- (paid by account payee cheque) - only for individuals
194A	Interest other than interest on securities	All Assesseees (except individuals and HUF who are not subject to audit u/s 44AB during preceding previous year)	Any resident in India	10%	Rs. 10,000/- if payment made by Banking Co., Co-operative Society, Post Office Rs. 5,000 - others
194B	Lottery / Cross Word Puzzle	Any persons	All persons	30%	Rs. 10,000/-

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194BB	Winnings from Horse Race	Any person being a licensed book maker	Any person	30%	Rs. 5,000/-
194C	Payment to contractor / sub contractor	All Assesseees including Foreign enterprises & Govt. (except individuals HUF, AOP, BOI who are not subject to audit u/s 44AB during preceding previous year)	Any resident Contractor / Sub-Contractor for any work including supply of labour	If payee is individual/HUF - 1%	Rs. 30,000/- per contract value
				Others - 2%	Rs. 75,000/- p.a. in aggregate
194D	Insurance Commission	Insurance companies	Any resident in India (Eg. Insurance agents)	10%	Rs. 20,000/- p.a.
194E	Payment to Non-resident sportsman, sports association or institution or to an entertainer	Any person	Non-resident sportsman, sports association or institution or an entertainer	Up to 30/06/2012 - 10%	Nil
				From 01/07/2012 - 20%	
194EE	Payments in respect of deposits under National Savings scheme, etc.	Any person	Any person	20%	Rs. 2,500/-
194F	Payments on account of repurchase of units of MF/UTI.	Any person	Any person	20%	Rs. 1,000/-
194G	Commission on sale of lottery tickets	Stockist, Distributor etc. of lottery ticket	Person stocking, purchasing or selling lottery tickets	10%	Rs. 1,000/-
194H	Commission or Brokerage	All Assesseees (except individuals and HUF who are not subject to audit u/s 44AB during preceding previous year)	Any resident in India	10%	Rs. 5,000/-

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194I	Rent	All Assesseees (except individuals and HUF who are not subject to audit u/s 44AB during preceding previous year)	Any person(exempt for Govt./ Local authorities)	Plant & Machinery, Equipment - 2%	Rs. 1,80,000/-
				Land & Building, Furniture/ Fitting - 10%	
194J	Professional or technical fees	All Assesseees (except individuals and HUF who are not subject to audit u/s 44AB during preceding previous year)	Any resident in India	10%	Rs. 30,000/-
194J(1) (ba)	Any remuneration or commission paid to director of the company - Not in the nature of salary(Effective from 1 July 2012)	Company	Director of company	From 01/07/2012 - 10%	Nil
				Up to 30/06/2012 - NA	
194LA	Compensation on acquisition of immovable property	Any person	Resident	10%	Up to 30/06/2012 - Rs.1,00,000/- p.a.
					From 01/07/2012 - Rs. 2,00,000/- p.a.
194LC	Payment of interest to a non-resident by an Indian Company	specified company	Non-resident or a foreign company	5%	Nil

### Rates for the Fianacial Year 2012 -13

Sl. No.	Nature of goods	Rates in %
1	Alcoholic liquor for human Consumption	1
2	Tendu leaves	5
3	Timber obtained under forest lease	2.5
4	Timber obtained by any mode other than a forest lease	2.5
5	Any other forest produce not being timber or tendu leaves	2.5
6	Scrap	1
7	Parking lot	2
8	Toll plaza	2
9	Mining & Quarrying	2
10	Minerals, being coal or lignite or iron ore	1 wef 01/07/ 2012
11	jewellery (if the sale consideration is paid in cash exceeding INR 5 lakhs, 2 lakhs in case of Bullion)	1 wef 01/07/ 2012

### Note

- **TDS at higher rate i.e., 20%** is to be made if the deductee does not provide PAN to the deductor.
- **No TDS on Goods Transport:** No deduction shall be made from any sum credited/ paid or likely to be credited or paid during the previous year to the account of a contractor during the course of business of plying, hiring or leasing goods carriages on furnishing of his Permanent Account Number, to the person paying or crediting such sum.
- **Surcharge on Income-tax is not deductible/collectible** at source in case of individual/ HUF /Firm/ AOP / BOI/Domestic Company in respect of payment of income other than salary.
- In the case of Company other than Domestic Company, the rate of surcharge is @ 2% of Income-tax, where the income or the aggregate of such income paid or likely to be paid exceeds Rs.1,00,00,000/-.
- **No Cess on payment made to resident:** Education Cess is not deductible/collectible at source in case of resident Individual/HUF/Firm/ AOP/ BOI/ Domestic Company in respect of payment of income other than salary. Education Cess @ 2% plus secondary & Higher Education Cess @ 1% is deductible at source in case of non-residents and foreign company.

The provisions of TDS and TCS has been consolidated in this article for ready reference which is applicable for the financial year 2012-13, as amended by budget 2012.

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## **Proposals in Budget, 2013:**

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- TDS of 1% on value of properties above Rs. 50 Lakhs. However, agricultural land is exempted.
- Surcharge of 10 per cent for individuals whose taxable income is over Rs 1 crore – this means while deductng tax at source, if the income exceeds Rs. 1 Cr in case of salaries, surcharge too needs to be deducted.
- No change in slabs and rate for personal income tax.