



# Income Tax Department

Government of India

## Rates for tax deduction at source\*

[For Assessment year 2023-24]

<i>Particulars</i>	<i>TDS Rates (in %)</i>
<b>1. In the case of a person other than a company</b>	
<b>1.1 where the person is resident in India-</b>	
<b>Section 192:</b> Payment of salary	Normal Slab Rate
<b>Section 192A:</b> Payment of accumulated balance of provident fund which is taxable in the hands of an employee.	10
<b>Section 193:</b> Interest on securities	
a) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	10
b) any debentures issued by a company where such debentures are listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	10
c) any security of the Central or State Government; [i.e. 8% Savings (Taxable) Bonds, 2003 and 7.75% Saving (Taxable) Bonds, 2018]	10
d) interest on any other security	10
<b>Section 194:</b> Income by way of dividend	10
<b>Section 194A:</b> Income by way of interest other than "Interest on securities"	10
<b>Section 194B:</b> Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
<b>Section 194BB:</b> Income by way of winnings from horse races	30
<b>Section 194C:</b> Payment to contractor/sub-contractor	
a) HUF/Individuals	1
b) Others	2
<b>Section 194D:</b> Insurance commission	5
<b>Section 194DA:</b> Payment in respect of life insurance policy	5
w.e.f. 1/9/2019, the tax shall be deducted on the amount of income comprised in insurance pay-out	
<b>Section 194EE:</b> Payment in respect of deposit under National Savings scheme	10

<b>Section 194F:</b> Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20
<b>Section 194G:</b> Commission, etc., on sale of lottery tickets	5
<b>Section 194H:</b> Commission or brokerage	5
<b>Section 194-I:</b> Rent	
a) Plant & Machinery	2
b) Land or building or furniture or fitting	10
<b>Section 194-IA:</b> Payment on transfer of certain immovable property other than agricultural land	1
<b>Section 194-IB:</b> Payment of rent by individual or HUF not liable to tax audit	5
<b>Section 194-IC:</b> Payment of monetary consideration under Joint Development Agreements	10
<b>Section 194J:</b> Fees for professional or technical services:	2
i) sum paid or payable towards fees for technical services	2
ii) sum paid or payable towards royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films;	10
iii) Any other sum	
<b>Note:</b> With effect from June 1, 2017 the rate of TDS would be 2% in case of payee engaged in business of operation of call center.	
<b>Section 194K:</b> Income in respect of units payable to resident person	10
<b>Section 194LA:</b> Payment of compensation on acquisition of certain immovable property	10
<b>Section 194LBA(1):</b> Business trust shall deduct tax while distributing, any interest received or receivable by it from a SPV or any income received from renting or leasing or letting out any real estate asset owned directly by it, to its unit holders.	10
<b>Section 194LBB:</b> Investment fund paying an income to a unit holder [other than income which is exempt under <a href="#">Section 10(23FBB)</a> ]	10
<b>Section 194LBC:</b> Income in respect of investment made in a securitisation trust (specified in <i>Explanation</i> of <a href="#">section 115TCA</a> )	25 in case of Individual or HUF 30 in case of other person
<b>Section 194M:</b> Payment of commission (not being insurance commission), brokerage, contractual fee, professional fee to a resident person by an Individual or a HUF who are not liable to deduct TDS under <a href="#">section 194C</a> , <a href="#">194H</a> , or <a href="#">194J</a> .  Tax shall be deducted under <a href="#">Section 194M</a> with effect from 1/09/2019 when aggregate of sum credited or paid during a financial year exceeds Rs. 50 lakh.	5
<b>Section 194N:</b> Cash withdrawal during the previous year from one or more account maintained by a person with a banking company, co-operative society engaged in business of banking or a post office:	2
i) in excess of Rs. 1 crore	2/5

<p>ii) in excess of Rs. 20 lakhs*</p> <p>* for those persons who have not filed return of income (ITR) for three previous years immediately preceding the previous year in which cash is withdrawn, and the due date for filing ITR under <a href="#">section 139(1)</a> has expired. The deduction of tax under this situation shall be at the rate of:</p> <p>a) 2% from the amount withdrawn in cash if the aggregate of the amount of withdrawal exceeds Rs. 20 lakhs during the previous year; or</p> <p>b) 5% from the amount withdrawn in cash if the aggregate of the amount of withdrawal exceeds Rs. 1 crore during the previous year.</p>	
<b>Section 194-O:</b> Payment or credit of amount by the e-commerce operator to e-commerce participant	1
<b>Section 194P:</b> Deduction of tax by specified bank in case of senior citizen having age of 75 or more	Tax on total income as per rate in force
<b>Section 194Q:</b> Payment for purchase of goods of the aggregate value exceeding Rs. 50 lakhs	0.1
Note: TDS is deductible on sum exceeding Rs. 50 lakhs	
<b>Section 194R:</b> Deduction of tax in case any benefit or perquisite is provided and aggregate value of such benefit/perquisite exceeds Rs. 20,000	10
Note: Benefit or perquisite should be arising from business or the exercise of a profession by such resident.	
<b>Section 194S:</b> Payment on transfer of Virtual Digital Asset	1
Note: No tax shall be deducted under this provision in the following circumstance:	
<ul style="list-style-type: none"> <li>• If the consideration is payable by any person (other than a specified person) and its aggregate value does not exceed Rs. 10,000 during the financial year.</li> <li>• if the consideration is payable by a specified person and its aggregate value does not exceed Rs. 50,000 during the financial year.</li> </ul>	
Specified person means:	
(a) An individual or a HUF, whose total sales, gross receipts or turnover does not exceed Rs. 1 crore in case of business or Rs. 50 lakhs in case of a profession, during the financial year immediately preceding the financial year in which virtual digital asset is transferred;	
(b) An individual or a HUF who does not have any income under the head profits and gains of business or profession.	
Any Other Income	10
<b>1.2 where the person is not resident in India*-</b>	
<b>Section 192:</b> Payment of Salary	Normal Slab Rate
<b>Section 192A:</b> Payment of accumulated balance of provident fund which is taxable in the hands of an employee.	10

<b>Section 194B:</b> Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
<b>Section 194BB:</b> Income by way of winnings from horse races	30
<b>Section 194E:</b> Payment to non-resident sportsmen/sports association	20
<b>Section 194EE:</b> Payment in respect of deposits under National Savings Scheme	10
<b>Section 194F:</b> Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20
<b>Section 194G:</b> Commission, etc., on sale of lottery tickets	5
<b>Section 194LB:</b> Payment of interest on infrastructure debt fund	5
<b>Sec. 194LBA(2):</b> Payment of the nature referred to in <a href="#">Section 10(23FC)(a)</a> .	5
<b>Section 194LBA(2):</b> Payment of the nature referred to in <a href="#">Section 10(23FC)(b)</a> .	10
<b>Section 194LBA(3):</b> Payment of the nature referred to in <a href="#">section 10(23FCA)</a> by business trust to unit holders	30
<b>Section 194LBB:</b> Investment fund paying an income to a unit holder [other than income which is exempt under <a href="#">Section 10(23FBB)</a> ].	30
<b>Section 194LBC:</b> Income in respect of investment made in a securitisation trust (specified in <i>Explanation</i> of <a href="#">section 115TCA</a> )	30
<b>Section 194LC:</b> 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 or 4*  * In case where interest is payable in respect of Long-term Bond or Rupee Denominated Bond listed on recognised stock exchange located in IFSC
<b>Section 194LD:</b> 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
<b>Section 195: Payment of any other sum to a Non-resident</b>	
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 <a href="#">Section 115E</a> 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 <a href="#">Section 112</a>	10
d) Income by way of long-term capital gains as referred to in <a href="#">Section 112A</a>	10
e) Income by way of short-term capital gains referred to in <a href="#">Section 111A</a>	15
f) Any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses <a href="#">10(33)</a> , <a href="#">10(36)</a> and <a href="#">112A</a>	20

g) 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 <a href="#">Section 194LB</a> or <a href="#">Section 194LC</a> )	20
h) 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 <a href="#">Section 115A</a> 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 <a href="#">Section 115A</a> of the Income-tax Act, to a person resident in India	10
i) Income by way of royalty [not being royalty of the nature referred to point h) above] 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) 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
k) Any other income	30
<b><a href="#">Section 196B</a></b> : Income from units (including long-term capital gain on transfer of such units) to an offshore fund	10
<b><a href="#">Section 196C</a></b> : Income from foreign currency bonds or GDR of an Indian company (including long-term capital gain on transfer of such bonds or GDR)	10
<b><a href="#">Section 196D</a></b> : Income of foreign Institutional Investors from securities (not being dividend or capital gain arising from such securities) <b>Note:</b> Tax shall be deducted at the rate provided under DTAA if same is lower than the existing TDS rate of 20%.	20
<b>2. In the case of a company-</b>	
<b>2.1 where the company is a domestic company-</b>	
<b><a href="#">Section 193</a></b> : Interest on securities	
a) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	10
b) any debentures issued by a company where such debentures are listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	10
c) any security of the Central or State Government; [i.e. 8% Saving (Taxable) Bonds, 2003 and 7.75% Saving (Taxable) Bonds, 2018]	10
d) interest on any other security	10

<b>Section 194:</b> Dividend	10
<b>Section 194A:</b> Income by way of interest other than "Interest on securities"	10
<b>Section 194B:</b> Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
<b>Section 194BB:</b> Income by way of winnings from horse races	30
<b>Section 194C:</b> Payment to contractor/sub-contractor	
a) HUF/Individuals	1
b) Others	2
<b>Section 194D:</b> Insurance commission	10
<b>Section 194DA:</b> Payment in respect of life insurance policy	5
w.e.f. 1/9/2019, the tax shall be deducted on the amount of income comprised in insurance pay-out	
<b>Section 194EE:</b> Payment in respect of deposit under National Savings scheme	10
<b>Section 194F:</b> Payment on account of repurchase of unit by Mutual Fund or Unit Trust of India	20
<b>Section 194G:</b> Commission, etc., on sale of lottery tickets	5
<b>Section 194H:</b> Commission or brokerage	5
<b>Section 194-I:</b> Rent	
a) Plant & Machinery	2
b) Land or building or furniture or fitting	10
<b>Section 194-IA:</b> Payment on transfer of certain immovable property other than agricultural land	1
<b>Section 194-IC:</b> Payment of monetary consideration under Joint Development Agreements	10
<b>Section 194J:</b> Fees for professional or technical services:	2
iv) sum paid or payable towards fees for technical services	2
v) sum paid or payable towards royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films;	10
vi) Any other sum	
<b>Note:</b> With effect from June 1, 2017 the rate of TDS would be 2% in case of payee engaged in business of operation of call center.	
<b>Section 194K :</b> Income in respect of units payable to resident person	10
<b>Section 194LA:</b> Payment of compensation on acquisition of certain immovable property	10
<b>Section 194LBA(1):</b> Business trust shall deduct tax while distributing, any interest received or receivable by it from a SPV or any income received from renting or leasing or letting out any real estate asset owned directly by it, to its unit holders.	10

<b>Section 194LBB:</b> Investment fund paying an income to a unit holder [other than income which is exempt under <a href="#">Section 10(23FBB)</a> ].	10
<b>Section 194LBC:</b> Income in respect of investment made in a securitisation trust (specified in <i>Explanation</i> of <a href="#">section 115TCA</a> )	10
<b>Section 194M:</b> Payment of commission (not being insurance commission), brokerage, contractual fee, professional fee to a resident person by an Individual or a HUF who are not liable to deduct TDS under <a href="#">section 194C</a> , <a href="#">194H</a> , or <a href="#">194J</a> .  Tax shall be deducted under <a href="#">Section 194M</a> with effect from 1/09/2019 when aggregate of sum credited or paid during a financial year exceeds Rs. 50 lakh.	5%
<b>Section 194N:</b> Cash withdrawal during the previous year from one or more account maintained by a person with a banking company, co-operative society engaged in business of banking or a post office: iii) in excess of Rs. 1 crore iv) in excess of Rs. 20 lakhs*  * for those persons who have not filed return of income (ITR) for three previous years immediately preceding the previous year in which cash is withdrawn, and the due date for filing ITR under <a href="#">section 139(1)</a> has expired. The deduction of tax under this situation shall be at the rate of:  a) 2% from the amount withdrawn in cash if the aggregate of the amount of withdrawal exceeds Rs. 20 lakhs but not exceeding Rs. 1 crore during the previous year; or b) 5% from the amount withdrawn in cash if the aggregate of the amount of withdrawal exceeds Rs. 1 crore during the previous year.	2 2/5
<b>Section 194-O:</b> Payment or credit of amount by the e-commerce operator to e-commerce participant	1
<b>Section 194P:</b> Deduction of tax by specified bank in case of senior citizen having age of 75 or more	Tax on total income as per rate in force
<b>Section 194Q:</b> Payment to resident for purchase of goods of the aggregate value exceeding Rs. 50 lakhs  Note: TDS is deductible on sum exceeding Rs. 50 lakhs	0.1
<b>Section 194R:</b> Deduction of tax in case any benefit or perquisite is provided and aggregate value of such benefit/perquisite exceeds Rs. 20,000  Note: Benefit or perquisite should be arising from business or the exercise of a profession by such resident.	10
<b>Section 194S:</b> Payment on transfer of Virtual Digital Asset  Note: No tax shall be deducted under this provision in the following circumstance:  • If the consideration is payable by any person (other than a specified person) and its aggregate value does not exceed Rs. 10,000 during the financial year.  • if the consideration is payable by a specified person and its aggregate value does not exceed Rs. 50,000 during the financial year.  Specified person means:	1

(a) An individual or a HUF, whose total sales, gross receipts or turnover does not exceed Rs. 1 crore in case of business or Rs. 50 lakhs in case of a profession, during the financial year immediately preceding the financial year in which virtual digital asset is transferred;	
(b) An individual or a HUF who does not have any income under the head profits and gains of business or profession.	
Any Other Income	10
<b>2.2 where the company is not a domestic company*-</b>	
<b>Section 194B:</b> Income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30
<b>Section 194BB:</b> Income by way of winnings from horse races	30
<b>Section 194E:</b> Payment to non-resident sports association	20
<b>Section 194G:</b> Commission, etc., on sale of lottery tickets	5
<b>Section 194LB:</b> Payment of interest on infrastructure debt fund	5
<b>Section 194LBA(2):</b> - Payment of the nature referred to in <a href="#">Section 10(23FC)(a)</a> .	5
<b>Section 194LBA(2):</b> Payment of the nature referred to in <a href="#">Section 10(23FC)(b)</a> .	10
<b>Section 194LBA(3):</b> 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
<b>Section 194LBB:</b> Investment fund paying an income to a unit holder [other than income which is exempt under <a href="#">Section 10(23FBB)</a> ].	40
<b>Section 194LBC:</b> Income in respect of investment made in a securitisation trust (specified in <i>Explanation</i> of <a href="#">section115TCA</a> )	40
<b>Section 194LC:</b> 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 or 4*  * In case where interest is payable in respect of Long-term Bond or Rupee Denominated Bond listed on recognised stock exchange located in IFSC
<b>Section 194LD:</b> 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
<b>Section 195: Payment of any other sum</b>	
a) Income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of <a href="#">Section 112</a>	10
b) Income by way of long-term capital gains as referred to in <a href="#">Section 112A</a>	10
c) Income by way of short-term capital gains referred to in <a href="#">Section 111A</a>	15

d) Any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses <a href="#">10(33)</a> , <a href="#">10(36)</a> and <a href="#">112A</a>	20
e) 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 <a href="#">Section 194LB</a> or <a href="#">Section 194LC</a> )	20
f) 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 <a href="#">Section 115A</a> 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 <a href="#">Section 115A</a> of the Income-tax Act, to a person resident in India	10
g) Income by way of royalty [not being royalty of the nature referred to in point f) above] 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
h) 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
i) Any other income	40
<b>Section 196B:</b> Income from units (including long-term capital gain on transfer of such units) to an offshore fund	10
<b>Section 196C:</b> Income from foreign currency bonds or GDR of an Indian company (including long-term capital gain on transfer of such bonds or GDR)	10
<b>Section 196D:</b> Income of foreign Institutional Investors from securities (not being dividend or capital gain arising from such securities)	20
Note: Tax shall be deducted at the rate provided under DTAA if same is lower than the existing TDS rate of 20%.	

\* The rate of TDS shall be increased by applicable surcharge and Health & Education cess.

**[As amended by Finance Act, 2022]**