CHAPTER 25 · COMPLIANCE MANUAL · 2024 EDITION

Annexures

*This chapter is an extract from **The RST Compliance Manual**, a regulator-mapped reference for Indian business entities curated by the partners of R S T & Co.*

25.1 Income Tax

25.1.1 Computation Tables

Income from Salary

Particulars	Rs.
Basic salary	xxx
Add:	
1. Fees, commission and bonus	xxx
2. Allowances	xxx
3. Perquisites	xxx
4. Retirement benefits	xxx
Gross Salary	**xxx**
Less: Deductions from Salary	
1. Standard deduction (upto Rs. 50,000)	xxx
2. Entertainment allowance u/s 16	xxx
3. Professional tax u/s 16	xxx
Net Salary	**xxx**

Income from House Property

Particulars	Rs.
Gross annual value	xxx
Less: Municipal taxes	xxx
Net annual value	**xxx**
Less: Standard deduction at 30% [Section 24(a)]	xxx
Less: Interest on borrowed capital [Section 24(b)]	xxx
Income from House Property	**xxx**

Income from Capital Gains

Particulars	Rs.
Full value of consideration	xxx

Particulars	Rs.
Less: Expenditure incurred wholly and exclusively in connection with transfer of capital asset	(xxx)
Net sale consideration	**xxx**
Less: Indexed cost of acquisition	(xxx)
Less: Indexed cost of improvement, if any	(xxx)
Long Term Capital Gain	**xxx**

Particulars	Rs.
Full value of consideration	xxx
Less: Expenditure incurred wholly and exclusively in connection with transfer of capital asset	(xxx)
Net sale consideration	**xxx**
Less: Cost of acquisition	(xxx)
Less: Cost of improvement	(xxx)
Short Term Capital Gain	**xxx**

Cost Inflation Index

Sl No.	Financial year	Cost inflation index	Sl No.	Financial year	Cost inflation index
1	2001-02	100	14	2014-15	240
2	2002-03	105	15	2015-16	254
3	2003-04	109	16	2016-17	264
4	2004-05	113	17	2017-18	272
5	2005-06	117	18	2018-19	280
6	2006-07	122	19	2019-20	289
7	2007-08	129	20	2020-21	301
8	2008-09	137	21	2021-22	317
9	2009-10	148	22	2022-23	331
10	2010-11	167	23	2023-24	348
11	2011-12	184	24	2024-25	363
12	2012-13	200			
13	2013-14	220			

25.1.2 TDS Rates

In the case of a person other than a company

Section	Nature of payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
Section	**Nature of payment**	**Threshold limit**	**Resident**	**Non-Res**
192	Salary	Slab rate	Slab rate	Slab rate
192A	Accumulated balance of provident fund	Rs. 50,000	10	10
193	Interest on securities	Rs. 5,000 or Rs. 10,000	10	N/A
194	Dividend	Rs. 5,000	10	N/A
194A	Interest other than interest on securities	Rs. 40,000 or Rs. 50,000	10	N/A
194B	Winnings from lotteries, puzzles, other games	Rs. 10,000	30	30
194BB	Winnings from horse races	Rs. 10,000	30	30
194C	Payment to contractor/ sub-contractor	Rs. 30,000 single payment or Rs. 1,00,000 aggregate		N/A
	a) HUF/Individuals	Rs. 30,000 single payment or Rs. 1,00,000 aggregate	1	
	b) Others	Rs. 30,000 single payment or Rs. 1,00,000 aggregate	2	
194D	Insurance commission	Rs. 15,000	5	N/A
194DA	Life insurance policy	Rs. 1,00,000	5	N/A
194E	Non-resident sportsmen/sports association		N/A	20
194EE	Deposit under National Savings Scheme	Rs. 2,500	10	10
194F	Repurchase of unit by Mutual Fund/UTI		20	20
194G	Commission on sale of lottery tickets	Rs. 15,000	5	5
194H	Commission or brokerage	Rs. 15,000	5	N/A
194-I	Rent	Rs. 2,40,000		N/A
	a) Plant & machinery		2	
	b) Land or building or furniture or fitting		10	
194-IA	Transfer of immovable property other than agricultural land	Rs. 50 Lakhs	1	N/A
194-IB	Rent payment by individual/HUF	Rs. 50,000	5	N/A

Section	Nature of payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
194-IC	Monetary consideration under Joint Development Agreements		10	N/A
194J	Fees for professional or technical services:	Rs. 30,000		N/A
	i) Technical services		2	
	ii) Royalty for sale, distribution or exhibition of cinematographic films;		2	
	iii) Any other sum		10	
	iv) Operation of call center		2	
194K	Units payable to resident person		10	N/A
194LA	Compensation on acquisition of certain immovable property	Rs. 2.50 Lakhs	10	N/A
194LB	Interest on infrastructure debt fund		N/A	5
194LBA(1)	Business trust distributing interest from SPV or income from real estate assets		10	N/A
194LBA(2)	Distributed income by business trust [5% u/s 10(23FC)(a) and 10% u/s 10(23FC)(b)]		N/A	5 or 10
194LBA(2)	Distributed income by business trust [5% u/s 10(23FC)(a) and 10% u/s 10(23FC)(b)]		N/A	5 or 10
194LBA(3)	Business trust to unit holders u/s 10(23FCA)		N/A	30
194LBB	Investment fund to unit holder other than income exempt u/s 10(23FBB)		10	30
194LBC	Investment made in a securitisation trust, specified u/s 115TCA (25% for Individual/HUF, 30% for other person)		25 or 30	30

Section	Nature of payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
194LC	Interest by Indian company/business trust for borrowing in foreign currency		N/A	5 or 4
194LD	Interest on rupee denominated bond of Indian company/Government securities		N/A	5
194M	Commission, brokerage, contractual fee, professional fee to a resident by Individual/HUF	Rs. 50 Lakhs	5	N/A
194N	Cash withdrawal during the previous year	Rs. 1 crore		N/A
	i) in excess of Rs. 1 crore	or Rs. 20 Lakhs	2	
	ii) in excess of Rs. 20 lakhs, for persons who have not filed return of income for 3 previous years and due date for filing ITR has expired:		2 or 5	
	a) 2%, withdrawal > Rs. 20 lakhs			
	b) 5%, withdrawal > Rs. 1 crore			
194-O	E-commerce operator to participant	Rs. 5 Lakhs	1	N/A
194P	Specified bank in case of senior citizen aged 75+		Slab rate	N/A
194Q	Payment to resident for purchase of goods of the aggregate value > Rs. 50 lakhs	Rs. 50 Lakhs	0.1	N/A
195	Payment of other sum to a non-resident		N/A	
	a) Investment made by non-resident Indian			20
	b) Long term capital gain u/s 115E			10
	c) Long term capital gain u/s 112(1)(c)(iii), 112A			10
	d) Short term capital gain u/s 111A			15

Section	Nature of payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
	e) Any other long term capital gain			20
	f) Interest by Government/Indian concern on borrowing in foreign currency			20
	g) Royalty payable by Government/Indian concern u/s 115A(1A)			10
	h) Royalty payable by Government/Indian concern for matters included in industrial policy			10
	i) Fees for technical services payable by Government/Indian concern for matters included in industrial policy			10
	k) Any other income			30
196B	Income from units to an offshore fund		N/A	10
196C	Income from foreign currency bonds or GDR of an Indian company		N/A	10
196D	Income of Foreign Institutional Investors from securities		N/A	20
	Note: Tax shall be deducted at the rate provided under DTAA if it is lower			
	Any other income		10	30

In case of a company

Section	Nature of Payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
Section	**Nature of Payment**	**Threshold limit**	**Domestic co.**	**Not domestic**
193	Interest on securities	Rs. 5,000 or Rs. 10,000	10	N/A
194	Dividend	Rs. 5,000	10	N/A
194A	Interest other than interest on securities	Rs. 40,000 or Rs. 50,000	10	N/A
194B	Winnings from lotteries, puzzles, other games	Rs. 10,000	30	30

Section	Nature of Payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
194BB	Winnings from horse races	Rs. 10,000	30	30
194C	Payment to contractor/ sub-contractor	Rs. 30,000 single payment Rs. 1,00,000 aggregate		N/A
	a) HUF/Individuals	Rs. 30,000 single payment Rs. 1,00,000 aggregate	1	
	b) Others	Rs. 30,000 single payment Rs. 1,00,000 aggregate	2	
194D	Insurance commission	Rs. 15,000	10	N/A
194DA	Life insurance policy	Rs. 1,00,000	5	N/A
194E	Non-resident sports association		N/A	20
194EE	Deposit under National Savings Scheme	Rs. 2,500	10	N/A
194F	Repurchase of unit by Mutual Fund/UTI		20	N/A
194G	Commission on sale of lottery tickets	Rs. 15,000	5	5
194H	Commission or brokerage	Rs. 15,000	5	
194-I	Rent	Rs. 2,40,000		N/A
	a) Plant & Machinery		2	
	b) Land or building or furniture or fitting		10	
194-IA	Transfer of certain immovable property other than agricultural land	Rs. 50 Lakhs	1	N/A
194-IC	Monetary consideration under Joint Development Agreements		10	N/A
194J	Fees for professional or technical services:	Rs. 30,000		N/A
	i) Fees for technical services		2	
	ii) Royalty for sale, distribution or exhibition of cinematographic films;		2	
	iii) Any other sum		10	

Section	Nature of Payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
	iv) Operation of call center		2	
194K	Units payable to resident person		10	N/A
194LA	Compensation on acquisition of certain immovable property	Rs. 2.50 Lakhs	10	N/A
194LB	Interest on infrastructure debt fund		N/A	5
194LBA(1)	Business trust distributing interest from SPV or income from real estate assets		10	
194LBA(2)	Distributed income by business trust [5% u/s 10(23FC)(a) and 10% u/s 10(23FC)(b)]		N/A	5 or 10
	Distributed income by business trust [5% u/s 10(23FC)(a) and 10% u/s 10(23FC)(b)]		N/A	5 or 10
194LBA(3)	Business trust to unit holders u/s 10(23FCA)		N/A	40
194LBB	Investment fund to unit holder other than income exempt u/s 10(23FBB)		10	40
194LBC	Investment made in a securitisation trust, specified u/s 115TCA		10	40
194LC	Interest by Indian company/business trust for borrowing in foreign currency		N/A	5 or 4
194LD	Interest on rupee denominated bond of Indian company/Government securities		N/A	5
194M	Commission, brokerage, contractual fee, professional fee to a resident by Individual/HUF	Rs. 50 Lakhs	0.05	N/A
194N	Cash withdrawal during the previous year	Rs. 1 crore or		N/A

Section	Nature of Payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
	i) in excess of Rs. 1 crore	Rs. 20 Lakhs	2	
	ii) in excess of Rs. 20 lakhs, for persons who have not filed return of income for 3 previous years and due date for filing ITR has expired:		2 or 5	
	a) 2%, withdrawal > Rs. 20 lakhs			
	b) 5%, withdrawal > Rs. 1 crore			
194-O	E-commerce operator to participant	Rs. 5 Lakhs	1	N/A
194P	Specified bank in case of senior citizen aged 75+		Slab rate	N/A
194Q	Payment to resident for purchase of goods of the aggregate value > Rs. 50 lakhs	Rs. 50 Lakhs	0.1	N/A
194Q		Rs. 50 Lakhs	0.1	N/A
195	Payment of any other sum		N/A	
	a) Long term capital gain u/s 112(1)(c)(iii), 112A			10
	b) Short term capital gain u/s 111A			15
	c) Any other long term capital gain			20
	d) Interest payable by Government/Indian concern on borrowing in foreign currency			20
	e) Royalty payable by Government/Indian concern u/s 115A(1A)			10
	f) Royalty payable by Government/Indian concern for matters included in industrial policy			50 or 10
	g) Fees for technical services payable by Government/Indian concern for matters included in industrial policy			50 or 10

Section	Nature of Payment	Threshold limit	TDS Rates (in %)	TDS Rates (in %)
	h) Any other income			40
196B	Income from units to an offshore fund		N/A	10
196C	Income from foreign currency bonds/GDR of Indian company		N/A	10
196D	Income of Foreign Institutional Investors from securities (Tax will be deducted at the rate provided under DTAA if it is lower)		N/A	20
	Any other income		10	40

25.1.3 TCS Rates

Section	Nature of Goods	TCS Rate (%)
206C(1)	Liquor of alcoholic nature, made for consumption by humans	1
	Scrap; Minerals, being coal or lignite or iron ore	1
	Timber obtained under a forest lease or any other mode	2.5
	Any other forest produce not being timber or tendu leaves	2.5
	Tendu leaves	5
206C(1C)	Parking lot, Toll plaza, Mining & quarrying	2
206C(1F)	Motor vehicle (any mode of payment) - consideration for sale of a motor vehicle of the value exceeding Rs. 10 lakh	1
206C(1G)	Overseas Tour Program Package - every person being a seller who receives an amount from buyer who purchases this package	5
206C(1G)	Overseas Tour Program Package - every person being a seller who receives an amount from buyer who purchases this package	(non-furnishing of Aadhar/PAN 10%)
206C(1G)	Remittance under LRS for education loan taken from financial institution mentioned u/s 80E; Amount (or aggregate) > Rs. 7 lakh	0.5

Section	Nature of Goods	TCS Rate (%)
206C(1G)	Remittance under LRS for other purpose - authorised dealer who receives an amount (or aggregate) > Rs. 7 Lakh for remittance out of India from buyer under LRS	5
206C(1G)	Remittance under LRS for other purpose - authorised dealer who receives an amount (or aggregate) > Rs. 7 Lakh for remittance out of India from buyer under LRS	(non-furnishing of Aadhar/PAN 10%)
206C(1H)	Sale of Goods - Seller receives amount as consideration for sale of goods of the value (or aggregate) > Rs. 50 lakh in any previous year, other than goods being exported out of India or goods covered in sub-section(1)/(1F)/(1G). If TDS u/s 194Q is applicable, then TCS u/s 206C(1H) is not applicable (w.e.f. 01/07/2021).	0.1 (non-furnishing of Aadhar/PAN 1%)

End of Chapter. *For the complete Compliance Manual, additional chapters, or a tailored briefing for your finance and compliance teams, contact* ***info@rstandco.co.in****.*