

Newsletter

AJAY RATTAN & CO CHARTERED ACCOUNTANTS

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COMPLIANCE

APRIL 2024 DUE DATES

GST

DATE	COMPLIANCE DETAIL	APPLICABLE TO
10th	<ul style="list-style-type: none">a) GSTR-7 (TDS return under GST)b) GSTR-8 (TCS return under GST)	<ul style="list-style-type: none">a) Person required to deduct TDS under GST.b) Person required to collect TCS under GST.
11th	GSTR-1 (Outward supply return)	<ul style="list-style-type: none">a) Taxable persons having annual turnover > Rs. 5 crore in FY 2022-23.b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme
13th	<ul style="list-style-type: none">• GSTR-6 [Return by input service distributor (ISD)]• GSTR-5 (Return by Non-resident)• GSTR-1 (Outward supply return)	<ul style="list-style-type: none">• Person registered as ISD.• Non-resident taxable person (NRTP).• Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme.
18th	CMP –08 (Statement – cum challan for composition dealer)	Composition dealer
20th	<ul style="list-style-type: none">• GSTR-3B (Summary return)• GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	<ul style="list-style-type: none">• a) Taxable persons having annual turnover > Rs. 5 crore in FY 2022-23• b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for QRMP scheme.• OIDAR services provider

22th & 24th	GSTR-3B (Summary return)	Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme and having principal place of business in Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep. & Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme and having principal place of business in any other state.
30th	GSTR-4 (Annual Return for composition dealer)	Composition dealer

INCOME TAX

DATE	COMPLIANCE DETAIL	APPLICABLE TO
7th	• Equalization Levy deposit	• All Deductors
30th	TDS/TCS Deposit	All Deductors

ROC

DATE	COMPLIANCE DETAIL	APPLICABLE TO
30th	MSME Form - I (Filing of MSME dues outstanding for > 45 days from the date of acceptance of the goods or services)	All Companies having MSME trade payable outstanding for more than 45 days

OTHER

DATE	COMPLIANCE DETAIL	APPLICABLE TO
15th	Deposit of PF & ESI contribution	All Deductors

GST



INSTRUCTION NO 01/2023-24-GST (INV.), **Dated – 30.03.2024**

Guidelines for CGST field formations in maintaining ease of doing business while engaging in investigation with regular taxpayers – reg

The matter of CGST field formations following a uniform procedure in undertaking enforcement activities, with or involving regular taxpayers, which incorporates aspects related to the ease of doing business, was considered by Board.

1. Keeping relevant aspects in view, the Board has desired that the following guidelines, henceforth, should be followed in the CGST Zones while engaging in investigation, subject to legal provisions or instructions issued on this behalf:

(a) Within the allocated jurisdiction of Commissionerate under notification No. 2/2017-Central Tax dated 19.06.2017, the (Pr.) Commissioner shall be responsible for developing and approving any intelligence, conducting search, and completing investigation in a case and the relevant subsequent action, including in the divisional formations, etc.

Any information or intelligence which pertains to another CGST field formation, that may have been generated /collected /received /recorded by such field formation (or even developed in the course of an investigation, including with respect to end-availer(s) of ITC), shall be forwarded by the (Pr.) Commissioner to the concerned CGST field formation or DGGI, as the case may be.

(b) Each investigation must be initiated only after the approval of the (Pr.) Commissioner, except in the following situations where the prior written approval of the zonal (Pr.) Chief Commissioner shall be required if investigation is to be initiated and action to be taken in a case falling under any of the following four categories, namely case involving-

- i. matters of interpretation seeking to levy tax/ duty on any sector/ commodity/ service for the first time, whether in Central Excise or GST; or
- ii. big industrial house and major multinational corporations; or
- iii. sensitive matters or matters with national implications; or
- iv. matters which are already before GST Council.

(c) In all of above four categories of cases, the concerned CGST field formation should also collect details regarding the prevalent trade practices and nature of transactions carried out from the stakeholders. The implications / impact of such matter should be studied so as to have adequate justification for initiating investigation and taking action.

(d) There may be a situation where it comes to the Commissionerate's notice that either the DGGI or the State GST department is also simultaneously undertaking record-based investigation of the same taxpayer on different subject matters. The (Pr.) Commissioner must engage in dialogue with the other investigating office(s) to consider the feasibility of only one of the offices pursuing all these subject matters with respect to the taxpayer, and the other offices consolidating their material with that office. If this outcome is not feasible, the reasons therefor should be confirmed on file by such (Pr.) Commissioner.

(e) There may be the situation where the (Pr.) Commissioner has initiated an investigation with respect to a GSTIN in its jurisdiction, and the issue is relevant to some or all of that taxpayers' GSTINs registered (under the same PAN) in multiple jurisdictions. If the matter also falls in the charter of DGGI and is not such that DGGI avoids taking up (as it is more appropriately in the purview of return scrutiny or audit etc), then the (Pr.) Commissioner shall expeditiously make a self-contained reference to its zonal (Pr.) Chief Commissioner who shall request the Pr. DG, DGGI to take up the matter in accordance with DGGI guidelines.

(f) There may be the situation where the (Pr.) Commissioner has initiated an investigation with respect to a GSTIN in its jurisdiction, and the issue is relevant to other taxpayers' GSTINs registered (under multiple PANs) across various CGST jurisdictions. In this scenario, the (Pr.) Commissioner shall within 30 days of initiation of investigation take either of the following two actions with the approval of zonal (Pr.) Chief Commissioner-

i. If description of GSTINs or similar entity types involved (or likely to be involved) across various jurisdictions related to the issue or topic is available, the self-contained reference be shared with each concerned Zone or all the Zones.

ii. In other situations, Pr. DG DGGI shall be requested to issue suitable alert.

(g) The scenario may arise in a CGST Zone where an issue investigated by one of the (Pr.) Commissioners is based on an interpretation of CGST Act/ Rules, notifications, circulars etc, and it is in the direction of proposing non-payment or short payment of tax, however, the background is that the taxpayer(s) is/are following, or have followed, a prevalent trade practice based on particular interpretation on that issue in the sector/industry. This scenario results in more than one interpretation and likelihood of litigation, change in practice etc. In such cases, it is desirable that the zonal (Pr.) Chief Commissioner make a self-contained reference to the relevant policy wing of the Board i.e., the GST Policy or TRU. The endeavour, to make such reference before concluding investigation, and as much in advance, as is feasible, of the earliest due date for issuing of show cause notice, may be useful in promoting uniformity or avoiding litigation if the matter, after being processed, is amongst those that also gets placed before the GST Council.

(h) In initiating investigation with respect to a listed company or PSU or Corporation or Govt Dept./agency or an Authority established by law, or seeking details (that are record-based and/or are reflected in statutory books of account or filings) from them, the practice to be adopted by the CGST field formation should be of initially addressing official letters (instead of summons) to the designated officer of such entity (detailing the reasons for investigation, and the legal provisions therefor) and requesting the submission of the relevant specified details in a reasonable time period which should be mentioned in the letter. Divergence from this practice at the initial stage must be backed by written reasons.

(i) In such a letter issued for seeking information/documents from regular taxpayer, the reference can be to inquiry "with respect to" or "in connection with" that entity. Further, the letter/summons should disclose the specific nature of the inquiry being initiated/undertaken. The vague (or general) expressions such as that the officer is making inquiry in connection with "GST enquiry" or "evasion of GST" or "GST evasion" etc. must not be mentioned.

(j) Information available digitally/online on GST portal should not be called for under letter/summons from a regular taxpayer. Further, a letter or summons should not be used as a means to seek information filled in formats or proforma (specified by investigation).

(k) The summons in conduct of investigation must not convey requests outside the scope defined for a summons. In the case of GST, the scope of summons is in the wording of section 70 of CGST Act, 2017. Addressing letter/summons with context or content akin to a fishing inquiry is not acceptable.

(l) If a taxpayer has utilized ITC towards payment of GST on its outward supplies, it is not acceptable to seek via summons/letter aspects such as - 'please clarify whether ITC availed and utilized was proper.'

(m) In issuing summons, the norm shall be of prior reasoned approval (of officer not below Dy/Asst. Commissioner level) of the content of the summons to be printed by the summoning officer, including in terms of what is being sought and the time frame to be provided being reasonable for its compliance.

(n) Where, for strictly operational reasons, it is not possible to obtain such prior written permission, the approval by such an officer can be verbal, however this all must be confirmed in writing at the earliest opportunity.

(o) Before summoning any information or documents from a regular taxpayer, the relevancy and propriety of what is being sought must be recorded (on e-file), ensuring that it is holistic and result of preparation, and also so as not to have repeated issuance of summons or seeking piecemeal information.

(p) Scanned copy of a statement (recorded under summons) be uploaded in the same e-office file in which approval was obtained to issue summons. Outcome of search/inspection conducted, including Panchama (if any), be also so uploaded. The e-file should be submitted for information to Addl./Jt. Commissioner in not more than 4 working days from date of statement, completion of search/inspection.

(q) An investigation initiated must reach the earliest conclusion which is not more than one year. It is not necessary to keep investigation pending till limitation in law approaches. Show cause notice should not be delayed after conclusion of investigation. The closure report consequent to the appropriate payment of government dues by the person concerned should also not be delayed and should have a brief self-explanatory narration of the issue and the period involved. Expeditious actions without delay at these stages are part of preventive vigilance ensuring that no room remains for malpractices.

(r) Conclusion of investigation may also take the form of recording that investigation is not being pursued further as nothing objectionable was found in terms of matter investigated.

Grievance redressal

2. The (Pr.) Commissioner is to be proactive in a manner that prevents complaints from arising in respect of the investigation and related work being undertaken within the jurisdiction. The Addl./Jt. Commissioner in-charge of investigation is the Grievance Officer whom taxpayers may approach (through letter, email or by appointment) with grievance, if any, related to an ongoing investigation, for appropriate redress. In case the reasonable grievance persists, the (Pr.) Commissioner may consider meeting, by appointment, the taxpayer.

GSTN issues advisory on integration of e-way bill system with new Invoice Registration Portals (IRPs)

GSTN has announced the integration of e-way bill services with 4 new IRPs via NIC, enabling taxpayers to generate e-way bills alongside e-invoicing on these 4 IRPs. This new facility complements the existing services available on the NIC-IRP portal, making e-way bill services, along with e-invoicing, available across all 6 IRPs.

The websites for the 6 IRPs are given below:

- <https://einvoice1.gst.gov.in>
- <https://einvoice2.gst.gov.in>
- <https://einvoice3.gst.gov.in>
- <https://einvoice4.gst.gov.in>
- <https://einvoice5.gst.gov.in>
- <https://einvoice6.gst.gov.in>

GST Network (GSTN) issues advisory on Form GSTR-1 (Outward supply return) / Invoice Furnishing Facility (IFF) - Introduction of new tables 14A & 15A

Background

As per Notification no. 26/2022 – Central Tax (CT) dated 26 December 2022, 2 new Tables 14A and 15A were introduced in Form GSTR-1 to capture the details of amendments to supplies made through E-Commerce Operators (ECO) on which ECOs are liable to collect tax u/s 52 or liable to pay tax u/s 9(5) of the CGST Act, 2017. These tables have now been made live on the GST portal and will be available in Form GSTR-1 / IFF from tax period February 2024 onwards. These amendment tables are relevant for those taxpayers who have reported the supplies in Table 14 or Table 15 in earlier tax periods.

Table 14A – Amended supplies made through ECO in Form GSTR-1

In this table, the supplier can amend the detail of original supplies that he has already reported in original table 14 under below 2 sections in earlier return periods.

- 14(a) liable to collect tax u/s 52 (TCS)
- 14(b) liable to pay tax u/s 9(5)

Table 15A – Amended supplies u/s 9(5) in Form GSTR-1 / IFF

In this table, the ECO can amend the detail of original supplies that he has already reported in table 15 originally under following 4 sections in earlier return periods.

- Registered Supplier and Registered Recipient (B2B)
- Registered Supplier and Unregistered Recipient (B2C)
- Unregistered Supplier and Registered Recipient (URP2B)
- Unregistered Supplier and Unregistered Recipient (URP2C)

The screenshot displays the GSTR-1/IFF web interface. At the top, there are navigation tabs: Dashboard, Services, Search Taxpayer, Help and Taxpayer Facilities, e-Invoice, and News & Updates. Below this, the breadcrumb trail shows 'Dashboard > Returns > GSTR-1/IFF'. The main heading is 'GSTR-1 - Details of outward supplies of goods or services'. A green bar contains 'E-INVOICE ADVISORY', 'HELP', and a refresh icon. Below this, a summary box shows: GSTIN - 24MAYAS0100J1Z6, FY - 2023-24, Legal Name - Skylark Printings, Tax Period - March, Trade Name - GSTN, Status - Not Filed, and a note: 'Indicates Mandatory Fields Due Date - 31/05/2024'. A 'File Nil GSTR-1' checkbox is present. A blue bar labeled 'ADD RECORD DETAILS' is collapsed. Another blue bar labeled 'AMEND RECORD DETAILS' is expanded, showing a grid of amendment options, each with a green checkmark and a '0' value:

9A - Amended B2B Invoices	9A - Amended B2C (Large) Invoices	9A - Amended Exports Invoices	9C - Amended Credit/Debit Notes (Registered)
9C - Amended Credit/Debit Notes (Unregistered)	10 - Amended B2C(Others)	11A - Amended Tax Liability (Advances Received)	11B - Amendment of Adjustment of Advances
14A - Amended Supplies made through ECO	15A - Amended Supplies U/s 9(5)		

Other salient features :-

- Amended taxable values will be auto-populated from Table 14A(b) to Table 3.1.1(ii) of Form GSTR-3B
- Amended taxable value along with tax liabilities from all the 4 sections of Table 15A i.e., B2B, B2C,URP2B and URP2C will be auto-populated to Table 3.1.1(i) of GSTR-3B.
- There will be no auto-population of e-invoice in Table -15A. E-invoices reported for section 9(5) supplies will be populated in Form GSTR-1 as per existing functionality. ECOs have been advised to examine and add such records in Table 15A related to section 9(5) supplies.
- ECO shall report amendment of debit or credit notes related to such services notified u/s 9(5) in existing Table 9C of Form GSTR-1 / IFF.

Impact of new tables of ECO - Documents in Form GSTR-2B

For the ease of registered recipients who are making supplies through ECO, a new table 'ECO – Documents (Amendment)' is being added in Form GSTR-2B. In this table, the registered recipient can view the amended document details of the supplies made through ECO on which ECO is liable to pay tax u/s 9(5) of the CGST Act, 2017.

The values will be auto populated from 'Registered Supplier and Registered Recipient' (B2B) and 'Unregistered Supplier and Registered Recipient' (URP2B) section of Table 15A to this new ECO - Documents table of Form GSTR-2B.

S.NO.	Heading [Expand All ▼]	GSTR-3B table	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	Cess (₹)
Part A ITC Available - Credit may be claimed in relevant headings in GSTR-3B						
I	All other ITC - Supplies from registered persons ^	4(A)(5) ①	1,440.00	0.00	0.00	600.00
	B2B - Invoices		0.00	0.00	0.00	0.00
	B2B - Debit notes		0.00	0.00	0.00	0.00
	ECO - Documents		0.00	0.00	0.00	0.00
	B2B - Invoices (Amendment)		0.00	0.00	0.00	0.00
	B2B - Debit notes (Amendment)		0.00	0.00	0.00	0.00
	ECO - Documents (Amendment)		1,440.00	0.00	0.00	600.00
II	Inward Supplies from ISD v	4(A)(4) ①	0.00	0.00	0.00	0.00

Corporate Law & Regulatory



Relaxation of Foreign Direct Investment (FDI) policy in Space sector (including satellites, launch vehicles, spaceports & components for ground segment & usersegment)

Currently, FDI in India in the space sector has largely been restricted, with 100% equity / equivalent being allowed only under Government approval route**. In a bid to enhance foreign investment into India, the Ministry of Commerce & Industry has relaxed the FDI limits in the space sector as below, to be effective from the date of its notification in the official gazette of India.

Sector / Activity	FDI limit / cap	Entry route
<p>Satellites:</p> <ul style="list-style-type: none"> • Manufacture & Operation (end-to-end manufacture and supply of satellite and / or payload, establishing the satellite systems including control of in-orbit operations of the satellite & payloads) • Data Products [Reception, generation or dissemination of earth observation /remote sensing satellite data and data products including Application Interfaces (API)] • Ground Segment [Supply of satellite transmit/ receive earth stations including earth observation data receive station, gateway, teleports, satellite telemetry, Tracking and Command (TTC) station, Satellite Control Centre (SCC), etc.] • User Segment (Supply of user ground terminals for communication with the satellite, which are not covered under the ground segment) 	<p>100%</p>	<p>Upto 74% - Automatic route *</p> <p>Beyond 74% - Government approval route **</p>

Sector / Activity	FDI limit / cap	Entry route
<p>Launch Vehicles& Spaceports:</p> <ul style="list-style-type: none"> • Launch Vehicles and associated systems or subsystem(a vehicle and its stages or components that is designed to operate in or place spacecraft with payloads or persons, in a suborbital trajectory, earth orbit or outer space) • Creation of Spaceports for launching and receiving spacecraft[a spaceport (also referred as launch site) can be regarded as the base from which spacecraft are launched and consisting of facilities involving devices for transportation to, from and via outer space] 	<p>100%</p>	<p>Upto 49% - Automatic route *</p> <p>Beyond 49% - Government approval route **</p>
<p>Manufacture of components and systems / sub- systems for satellites, ground segment and user segment</p> <p>(comprising the manufacture and supply of electrical, electronic and mechanical components systems / subsystems for satellites, ground segment and user segment)</p>	<p>100%</p>	<p>Upto 100% - Automatic route *</p>

* Automatic route – No prior approval required from Government of India

** Government approval route - Prior approval required from Government of India

For more details refer Press Release issued by Ministry of Commerce & Industry on 5 March 2024.

For more details refer Press Release issued by Ministry of Commerce & Industry on 21 February 2024.

DIRECT TAX



Charitable trusts / institutions – Clarification issued by CBDT regarding entitlement of tax exemption in case of inter-trust / institution donations

Charitable trusts/ institutions are entitled to tax exemption under the Income-tax Act subject to fulfilment of following conditions:

- At least 85% of income of the trust / institution should be applied during the year for charitable or religious purposes, and
- Trusts / institutions are allowed to apply mandatory 85% of their income either themselves or by making donations to other trusts / institutions with similar objectives, and
- If donated to other trust / institution, the donation should not be towards corpus to ensure that the donations are applied by the done (receiving) trust / institution for charitable or religious purposes exclusively

In order to ensure intended application towards charitable / religious purposes, the Finance Act 2023 had made amendments in the Income-tax Act to provide that eligible donations made by a trust / institution shall be treated as application for charitable / religious purposes only to the extent of 85% of such donations.

Issue being faced by the industry

Reportedly, representations have been received by CBDT raising the concern that whether the balance 15% of donation to other trust / institution would be taxable or is eligible for 15% accumulation since the funds would not be available having been already disbursed.

Clarification provided by CBDT vide Circular no. 3 / 2024 dated 6 March 2024

CBDT has clarified that eligible donations made by a charitable trust / institution to another shall be treated as valid application for charitable purpose only to the extent of 85% of such donations. Further, it has clarified that that amount of ineligible application of 15% is not required to be deposited in specified modes of investment [prescribed u/s 11(5) of the Income-tax Act, such as savings certificate issued by Government, post office savings account, etc] as the entire said income has already been donated to other charitable trust / institution.

The above has been explained by CBDT with the help of numerical examples where in charitable trusts / institutions make chain donations to other trusts / institutions by either donating part of former's income or entire income. In both these scenarios, the former charitable trust / institution is eligible for tax exemption under the Income-tax Act in respect of whole of the amount donated even after considering the ineligible application of 15%.

CBDT issues clarification on time limit to verify Income-tax Returns

Notification No. 2 of 2024, dated 31-03-2024

The DGIT(Systems) vide notification No. 05 of 2022 dated 29.07.2022 specified the time limit for verification of Income Tax Return (ITR) as 30 days from the date of furnishing of ITR electronically. Now, the Central Board of Direct Taxes (CBDT) has issued notification providing clarification regarding the 30-day time limit for verifying Income Tax Returns (ITRs). The notification provides as follows:

- a) The date of uploading the ITR will be considered as the date of furnishing the return of income if e-verification/ITR-V of such return of income is submitted within 30 days of uploading.
- b) The date of e-verification/ITR-V submission shall be treated as the date of furnishing the return of income if the e-verification/ITR-V is submitted 30 days after uploading the return. Accordingly, all the consequences of late filing of returns under the Income-tax Act shall follow.

It must be noted that the date on which the duly verified ITR-V is received at CPC shall be considered for the determination of 30 days from the date of uploading ITR. Earlier, the date of dispatch of Speed Post of duly verified ITR-V was considered to determine the 30-day time limit.

Further, it has been clarified that the return of income not verified under the prescribed time limit will be treated as an invalid return. This notification is applicable from 01.04.2024.

Income-tax Return(ITR) Form 7 for AY 2024-25 notified by CBDT

This year, CBDT has notified well in advance in December 2023 and January 2024, the ITR forms 1 to 6 for AY 2024-25. On 1 March 2024, CBDT has notified the pending Form ITR 7 as well, applicable for trusts/ institutions / not-for-profit organisations required to submit ITR u/s 139(4A) or (4B) or (4C) or (4D) of the Income-tax Act.

TDS RATES FROM PAYMENT TO RESIDENTS FY 24-25

Section	Nature of Payment	Threshold	Co/ Firm (%)	Individual/ HUF (%)	Rate for non- filers of ITR ** 206AB	w/o PAN (%)
192	Salaries	slab rate	NA	slab rate	N.A.	higher of 20% or normal rate
192A	Withdrawal from EPF	50,000	NA	10	N.A.	20
193	Interest on Securities	5,000	10	10	20	20
	Threshold for Interest on Debentures is Rs. 5,000/- & on 7.75% GOI Savings (Taxable) Bonds 2018 is Rs. 10,000/-					
194	Dividend	5,000	10	10	20	20
	Interest by bank to Senior Citizen	50,000	NA	10	20	20
194A	Interest by bank to others	40,000	10	10	20	20
	Interest by others	5,000	10	10	20	20
194C	Payment to contractor - single	30,000	2	1	5	20
	Payment to contractor - for the year	100,000	2	1	5	20

194H	Commission or Brokerage	15,000	5	5	10	20
194I	Rent - land, building, furniture, fittings	240,000	10	10	20	20
	Rent - plant, machinery, equipments	240,000	2	2	5	20
194IA	Transfer of immovable property other than agricultural land	5,000,000	1	1	N.A.	20
194IB	Rent by individual not for business	50,000 p.m.	5	5	N.A.	20
194IC	Monetary consideration under JDA	NA	10	10	20	20
194J	Call centre operators/ technical fees	30,000	2	2	5	20
	Royalty for sale, distribution or exhibition of cinematographic films	30,000	2	2	5	20
	Remuneration, commission, fees to director [other than on which tds made u/s 192]	30,000	10	10	20	20
	Other professional fees/ royalty	30,000	10	10	20	20
194M w.e.f., 01.09.19	Payment by individual/ HUF for personal use to contractor/ commission/ professional	5,000,000	5	5	N.A.	20

194N w.e.f. 01.07.20	Payment from one or more accounts to an account holder in cash by bank/ coop bank/ post office					
	Case I - In the case of a receipt who has not filed the returns for all the 3 previous AYs for which the time-limit to file ITR u/s 139(1) has expired -					
	a. cash payment > 20 lakhs but < 1 crore	2,000,000	2	2	N.A.	20
	b. cash payment > 1 crore	10,000,000	5	5	N.A.	20
	Case II - any other case where cash payment > 1 crore	10,000,000	2	2	N.A.	20
194O w.e.f., 01.10.20	Payment for sale of goods/ provision of services by e-commerce operator to e-commerce participants		1	1	5	5
194Q w.e.f., 01.07.21	Payment/ credit of certain sum for purchase of goods	5,000,000	0.10	0.10	5	5
194R	Payment in case any benefit or perquisite is provided	20,000	10	10	20	20
194S	Payment on transfer of Virtual Digital Asset					
	Case 1 : If consideration is paid by a specified person ***	50,000	1.00	1.00	20	20
	Case 2 : If consideration is paid by a person other than specified person	10,000	1.00	1.00	20	20

- TDS will be made @ 20% or at the rate given in the table, whichever is higher u/s 206AA if PAN is not intimated by deductee to deductor.
However, this rule is subject to following modifications -
 1. TDS u/s 194O & 194Q will be @ 5% only.
- Tax on payment made to a specified person u/s 206AB shall be deducted at higher of the following rates -
(other than section 192, 192A, 194B, 194BA, 194BB, 194IA, 194IB, 194LBC, 194M or 194N)
 - a) twice the rate specified in the relevant provision of the Act; or
 - b) twice the rate or rates in force; or
 - c) at the rate of 5%.Specified person means a person who has not filed the returns of income -
 - i) for AY 23-24; and
 - ii) aggregate of TDS and TCS in his case is Rs. 50,000/- or more in the said previous years
- If the provisions of both 206AA & 206AB are applicable, higher of the two rates shall be applicable.

TDS FROM PAYMENT TO NON-RESIDENTS FY 24-25

Sec	Nature of Payment	INDIVIDUAL					FIRM		COMPANY		
		<=50 lakh	<=1 crore	<=2 crore	<=5 crore	>5 crore	<=1 crore	>1 crore	<=1 crore	<=10 crore	>10 crore
		TDS+0 %+4%	TDS+1 0%+4%	TDS+1 5%+4 %	TDS+2 5%+4 %	TDS+3 7%+4 %	TDS+0 %+4%	TDS+1 2%+4%	TDS+0 %+4%	TDS+2 %+4%	TDS+5 %+4%
		(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
192	Salaries	slab rate	slab rate	slab rate	slab rate	slab rate	NA	NA	NA	NA	NA
	Other sums										
	Income from investment made by NRI citizen	20.800	22.880	23.920	26.000	28.496	NA	NA	NA	NA	NA
195	LTCG referred to in sec 112(1)(c)(iii) -unlisted securities	10.400	11.440	11.960	11.960	11.960	10.400	11.648	10.400	10.608	10.920
	LTCG referred to in sec 112A - shares purchased & sold after paying STT	10.400	11.440	11.960	11.960	11.960	10.400	11.648	10.400	10.608	10.920
	STCG referred to in sec 111A - shares sold after paying STT	15.600	17.160	17.940	17.940	17.940	15.600	17.472	15.600	15.912	16.380

195	Dividend	20.800	22.880	23.920	23.920	23.920	20.800	23.296	20.800	21.216	21.840
	Royalty	20.800	22.880	23.920	26.000	28.496	20.800	23.296	20.800	21.216	21.840
	Fees for Technical Services	20.800	22.880	23.920	26.000	28.496	20.800	23.296	20.800	21.216	21.840
	Any other income	31.200	34.320	35.880	39.000	42.744	31.200	34.944	41.600	42.432	43.680

TDS will be made @ 20% or at the rate given in the table, whichever is higher u/s 206AA if PAN is not intimated by deductee to deductor.

However, this rule is subject to following modifications -

1. Not applicable in respect of payment of interest on long-term bonds to a NR u/s 194LC.
2. Rates under DTAA will prevail as per decided cases.
3. If deductee gives TRC & other information to deductor, no higher TDS required.
4. Rule 114AAB - if the following conditions are satisfied -
 - a. if NR/ foreign co has made investment in specified fund;
 - b. The NR has no other income;
 - c. TDS has been made u/s 194LBB by the specified fund;
 - d. NR furnishes to the fund - name, contact number & email; address & declaration of being resident outside India; TIN or unique number of foreign country



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