NEW TDS RATES APPLICABLE (AS PROPOSED IN THE FINANCE BILL, 2009)

S. No.	Particulars		If recipient is an Individual or HUF								If the recipient is a Domestic Company or Firm								Criteria for Deduction
	Nature of Payment	*Section*	*Upto 30-09-2009*				*During 01-10-2009 to 31-03-2010*				*Upto 30-09-2009*				*During 01-10-2009 to 31-03-2010*				
			IT	SC	EC	Total	IT	SC	EC	Total	IT	SC	EC	Total	IT	SC	EC	Total	
1	**Salary**	**192**	***As per slab rates prescribed for women, senior citizens and other Individuals.***																SC not applicable. Only levy EC
2	**Interest other than interest on securities**	**194A**	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	Payment in excess of Rs.**5,000** p.a
3a	**Payments to Contractors (other than 3b to 3e)**	**194C**	2	-	-	2.00	1	-	-	1.00	2	-	-	2.00	2	-	-	2.00	Payment in excess of Rs.20,000/- per contract or Rs.**50,000** p.a
3b	**Payments to transporters, where PAN is not available**	**194C**	2	-	-	2.00	1	-	-	1.00	2	-	-	2.00	2	-	-	2.00	
3c	**Payments to transporters, where PAN is available**	**194C**	2	-	-	2.00	0	-	-	0.00	2	-	-	2.00	0	-	-	0.00	
3d	**Payments to Advertising Contractors**	**194C**	1	-	-	1.00	1	-	-	1.00	1	-	-	1.00	2	-	-	2.00	
3e	**Payments to Sub-contractors**	**194C**	1	-	-	1.00	1	-	-	1.00	1	-	-	1.00	2	-	-	2.00	
4	**Commission or Brokerage**	**194H**	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	Payment in excess of Rs.**2,500** p.a
5a	**Rent of Land / Building / Furniture**	**194I**	15	-	-	15.00	10	-	-	10.00	20	-	-	20.00	10	-	-	10.00	Payment in excess of Rs.**1,20,000** p.a
5b	**Rent of Plant, Machinery or Equipment**	**194I**	10	-	-	10.00	2	-	-	2.00	10	-	-	10.00	2	-	-	2.00	Payment in excess of Rs.**1,20,000** p.a
6	**Fees for Professional & Technical Services / Royalty**	**194J**	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	10	-	-	10.00	Payment in excess of Rs.**20,000** p.a

NOTES :

1 **Higher TDS rate of 20% for not furnishing correct PAN:** Requirement to furnish PAN is compulsory to deductor otherwise TDS shall be deducted @20%. W.E.F. 01.04.2010

2 Above rates are not applicable in case of payments made to foreign companies and non-residents. In case of payments to foreign companies, SC a should be levied at 2.5 percent (where total income of the foreign company exceeds INR 10 million) and EC should be levied at 3 percent. However, in case of payments to other non-residents, only EC of 3 percent should be levied.

3 **For Advance Tax computation:** Advance tax is not required in case amount of tax payable for the entire year is less than INR 10,000/-. Further. EC should be applied in respect of advance tax payments by all taxpayers. However, SC should be levied only in case of advance tax payments by domestic and foreign companies.

4 No TDS on contract for manufacturing / supply of product according to requirement of customer by using material purchased from a person other than such customer