# Simplified way to understand & remember section 40a(i), 40a(ia), 40a(ii), 40a(iia), 40a(iii), and 35 of Income Tax Act

Non Deduction or Deposit of TDS

In case of payment to **Non Resident; any type** of payment which is **liable** to tax in india

If **not paid** before **30-April** next year.

40a(i)

In case of payment to **Resident; only these 6 payments**

1. Rent
2. Commission & brokerage
3. Royalty
4. Interest
5. Fee for professional services
6. Fee for technical services

If **not paid** before filing the return **u/s 139(1).**

**i.e:- 31-july of assessment year**

40a(ia)

In case of payment of **salary** to non resident in india or outside india

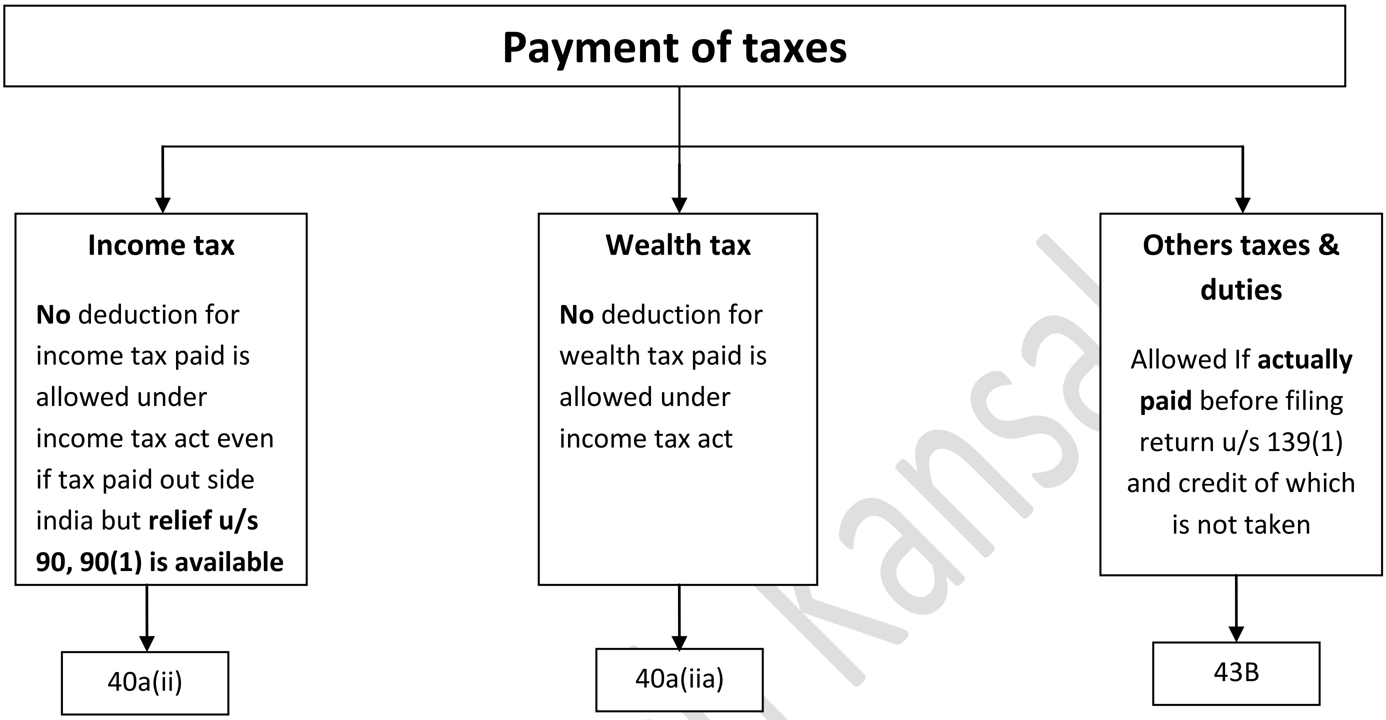
If **not paid** before time limit set in **sec 200(1).**

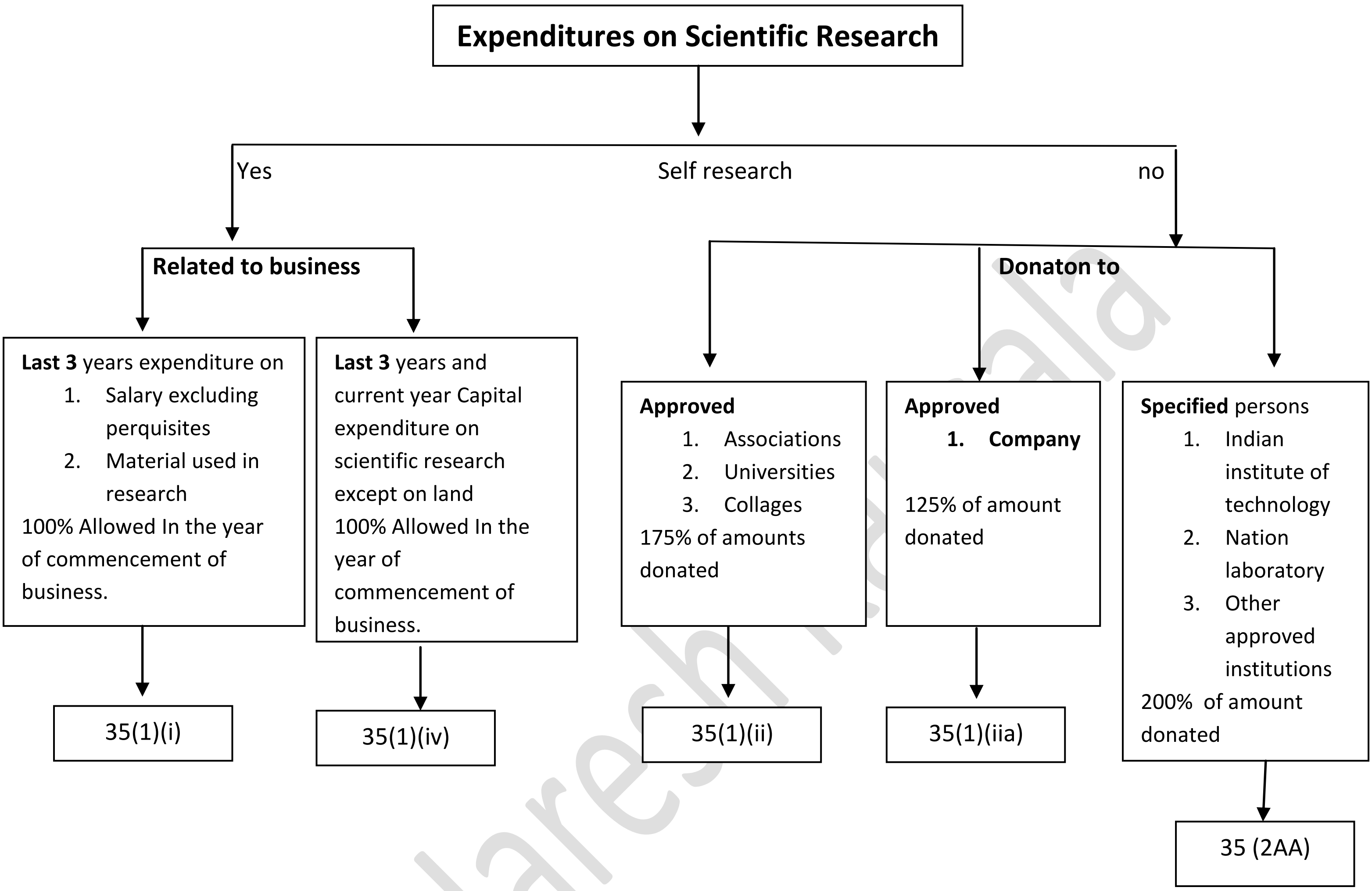
i.e:-

1. 7 day of next month &
2. incase of march 30-April

40a(iii)

**Note**:- under sec 40a(i) and sec 40a(ia) deduction can be availed in that FY in which they are actually deposited in case not deposited before respective due dates. But no deduction is allowed in any subsequent year under sec 40a(iii) if not deposited on time. Even one day late deposit is barred assessee from availing deduction


Payment of taxes
Income tax
**No** deduction for income tax paid is allowed under income tax act even if tax paid out side india but **relief u/s 90, 90(1) is available**
40a(ii)
Wealth tax
**No** deduction for wealth tax paid is allowed under income tax act
40a(iia)
Others taxes & duties
Allowed If **actually paid** before filing return u/s 139(1) and credit of which is not taken
43B




Donation to Approved institutions for Social research and statistical research allowed under Section 35(1)(iii) @125% of donation amount

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**Note:-** Unabsorbed Capital expenditure shall be carry forwarded and set off like unabsorbed Depreciation.