

TDS/TCS Rate Chart for Tax Year 2026-27 onwards

TDS/TCS rates applicable for Tax Year 2026-27 are as under:

Earlier Section as per Income Tax Act, 1961	Corresponding New Section as per Income Tax Act, 2025	Nature of payment	Payer/Person deducting TDS/collecting TCS	Threshold limit	TDS rate
192	392	Salary	Any person responsible for paying income chargeable under the head 'Salaries'	-	Average rate of income tax
192A	392(7)	Any payment of accumulated balance due to an employee	Any person authorised under such scheme	INR 50,000	10%
194D	393(1)-[Table:-Sl. No. 1(i)]	Commission or Brokerage-Insurance	Any person	INR 20,000	When recipient is: Domestic Company- 10% Other than Domestic Company- 2%
194H	393(1)-[Table:-Sl. No. 1(ii)]	Commission or Brokerage - Others	Specified person	INR 20,000	2%

DIRECT TAX

194IB	393(1)-[Table:-Sl. No. 2(ii)]	Any income by way of rent- Tax to be deducted for the last month of the tax year or the last month of tenancy if property vacated during year.	Person other than specified person	INR 50,000 per month or part of month.	2%
194I(a)	393(1)-[Table:-Sl. No. 2(ii).D(a)]	Any income by way of rent- Plant or Machinery or Equipment	Specified person	INR 50,000 per month or part of a month	2%,
194I(b)	393(1)-[Table:-Sl. No. 2(ii).D(b)]	Any income by way of rent- Land or Building or Furniture or Fittings	Specified person	INR 50,000 per month or part of a month	10%
194IA	393(1)-[Table:-Sl. No. 3(i)]	Any consideration for transfer of any immovable property (other than agriculture land)	Person [other than the person who are required to deduct tax under Sl. No. 3(iii)]	Higher of Sale Consideration or Stamp Duty Value (No TDS to be deducted if sale consideration and Stamp Duty Value, are both less than INR 50,00,000)	1%
194IC	393(1)-[Table:-Sl. No. 3(ii)]	Payment of monetary consideration under Joint Development Agreements	Any person	No threshold limit	10%

DIRECT TAX

194LA	393(1)-[Table:-Sl. No. 3(iii)]	Payment of compensation or enhanced compensation on compulsory acquisition of certain immovable property (other than agricultural land)	Any person	INR 5,00,000	10%
194K	393(1)-[Table:-Sl. No. 4(i)]	Payment of any income in respect of- (a) units of a Mutual Fund specified under schedule VII(Table: Sl. No. 20 or 21) [Earlier section 10(23D)(i) or (ii)], or (b) units from administrator of specified undertaking or (c) units from specified company. (excluding income in the nature of Capital Gains)	Any person	INR 10,000	10%
194LBA(1)	393(1)-[Table:-Sl. No. 4(ii)]	Any distributed income referred to section referred to section 223 [Earlier section 115UA], being of the nature referred to in Schedule V(Table: Sl. Nos. 3 and 4) [Earlier section 10(23FC)/(23FCA)] payable to a unitholder (resident) of business trust	Any Business Trust	No threshold limit	10%
194LBB	393(1)-[Table:-Sl. No. 4(iii)]	Any income, other than that proportion of income which is exempt under Schedule V (Table: Sl. No. 2) [Earlier section 10(23FBB)] , in respect of units of an investment fund specified in section 224[Earlier section 115UB], payable to its unit holder (resident)	Any investment fund specified in section 224[Earlier section 115UB]	No threshold limit	10%

DIRECT TAX

194LBC(1)	393(1)-[Table:- Sl. No. 4(iv)]	Any income in respect of an investment in a securitisation trust specified in section 221 [Earlier section 115TCA] to an investor (resident)	Any securitisation trust specified in section 221 [Earlier section 115TCA]	No threshold limit	10%
193	393(1)-[Table:- Sl. No. 5(i)]	Any income by way of interest on securities	Any person	INR 10,000	Rates in Force
194A	393(1)-[Table:- Sl. No. 5(ii).D(a)]	Any income by way of interest other than interest on securities- Senior Citizens	(a) A banking company or (b) a co-operative society carrying on the business of banking or (c) a post office for a deposit made under a scheme notified by the Central Government.	INR 1,00,000	10%
194A	393(1)-[Table:- Sl. No. 5(ii).D(b)]	Any income by way of interest other than interest on securities - Others than Senior Citizen	(a) A banking company or (b) a co-operative society carrying on the business of banking or (c) a post office for a deposit made under a scheme notified by the Central Government.	INR 50000	10%
194A	393(1)-[Table:- Sl. No. 5(iii)]	Any income by way of interest other than interest on securities	Specified person [other than person in Sl. No. 5 (ii).C]	INR 10000	10%
194C	393(1)-[Table:- Sl. No. 6(i).D(a)]	Any sum for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a designated person- if contractor is individual or Hindu undivided family	Any designated person	Single: INR 30,000 Aggregate annual limit: INR 1,00,000	1%

DIRECT TAX

194C	393(1)-[Table:-Sl. No. 6(i).D(b)]	Any sum for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a designated person- if contractor is other than individual or Hindu undivided family	Any designated person	Single: INR 30,000 Aggregate annual limit: INR 1,00,000	2%
194M	393(1)-[Table:-Sl. No. 6(ii)]	Any sum- (a) for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract or (b) by way of fees for professional services or (c) by way of commission [not being insurance commission referred to in Sl. No. 1(i) (Earlier section 194D)] or brokerage	Any person, being an individual or HUF [other than those required to deduct income-tax as per Sl. No. 6(i) (Earlier section 194C) and (iii) (Earlier section 194J) or Sl. No. 1(ii) (Earlier section 194H)]	INR 50,00,000	2%
194J	393(1)-[Table:-Sl. No. 6(iii)D(a)]	Any sum by way of- (a) fees for technical services (not being a professional services) or (b) royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films or (c) payee, engaged only in the business of operation of call centre	Specified person	INR 50,000	2%
194J	393(1)-[Table:-Sl. No. 6(iii)D(b)]	Any sum by way of- (a) fees professional services or (b) any sum referred to in section 26(2)(h)	Specified person	INR 50000	10%
194J	393(1)-[Table:-Sl. No. 6(iii).D(b)]	Any sum by way of remuneration or fees or commission by whatever name called other than those on which tax is deductible under section 392, to a director of a company.	Specified person	No threshold limit	10%

DIRECT TAX

194	393(1)-[Table:-Sl. No. 7]	Any dividend (including dividend on preference shares) declared.	Any domestic company	- INR 10,000 to resident shareholder paid by any mode other than cash. - No threshold limit if paid in cash i.e. any amount paid in cash is liable for TDS.	10%
194DA	393(1)-[Table:-Sl. No. 8(i)]	Any sum under a life insurance policy, including the sum allocated as bonus on such policy, other than the amount not includible in the total income under Schedule II (Table: Sl. No. 2)[[Earlier section 10(10D)].	Any person	INR 1,00,000	2%
194Q	393(1)-[Table:-Sl. No. 8(ii)]	Purchase of any goods.	Any person, being a buyer	Aggregate value of goods INR 50,00,000	0.10%
194P	393(1)-[Table:-Sl. No. 8(iii)]	Total income of a specified senior citizen after giving effect to deduction allowable under Chapter VIII (Earlier Chapter VI-A) and rebate allowable under section 156 (Earlier section 87A).	Specified bank	As applicable	10%
194R	393(1)-[Table:-Sl. No. 8(iv)]	Payment of any benefit or perquisite to a Resident (whether convertible into money or not).	Specified person	INR 20,000	10%

DIRECT TAX

1940	393(1)-[Table:- Sl. No. 8(v)]	Any sum on account of sale of goods or provision of services by an e-commerce participant, facilitated by an e-commerce operator through its digital or electronic facility or platform.	Any E-Commerce Operator	If E-Commerce Participant is Individual/HUF- INR 5,00,000 (If PAN or Aadhar Number has been furnished by such Ind/HUF and sales/service or both does not exceeds 5 lacs, no TDS is required to be deducted) Others- No threshold limit	0.10%
194S	393(1)-[Table:- Sl. No. 8(vi)]	Any sum by way of consideration for transfer of a virtual digital asset.	Any person	Ind/HUF-INR 50,000 (Where sales/turnover is less than 1cr/50 lacs for business/professional income respectively immediately preceding the tax year or having no business/professional income) Others- INR 10,000	1%
194B	393(3)-[Table:- Sl. No. 1]	Any income by way of winnings (other than winnings from online games as referred to in Sl. No. 2) from- (a) any lottery or (b) crossword puzzle or (c) card game and other game of any sort or (d) gambling or betting of any form or nature whatsoever.	Any person	INR 10,000 in respect of a single transaction.	30%



DIRECT TAX

194BA	393(3)-[Table:-Sl. No. 2]	Any income by way of winnings from online game	Any person	-on net winnings in the user account of the payee at the end of the tax year - where there is any withdrawal from user account during the tax year, TDS shall be deducted at the time of such withdrawal on the net winnings comprised in such withdrawal as well as on the remaining amount of net winnings in user account at the end of the tax year, where the net winnings in each case is computed in the such manner as may be prescribed.	30%
194BB	393(3)-[Table:-Sl. No. 3]	Winnings from horse race	Any person, being a bookmaker or a person to whom a licence has been granted by the Government under any law for the time being in force for horse racing in any race course or for arranging for wagering or betting in any race course	INR 10,000 in respect of a single transaction.	30%

DIRECT TAX

194G	393(3)-[Table:-Sl. No. 4]	Any income, credited or paid to a person, who is or has been stocking, distributing, purchasing or selling lottery tickets, by way of commission, remuneration or prize (by whatever name called) on such tickets.	Any person	INR 20,000	2%
194N	393(3)-[Table:-Sl. No. 5]	Any sum, paid in cash, from one or more accounts maintained by any person (herein referred as recipient).	Any person, being- (a) a banking company (b) a co-operative society engaged in carrying on the business of banking or (c) a post office.	-INR 3 Crore in case of recipient being, a co-operative society -INR 1 Crore in case of recipient being person other than a co-operative society.	2%
194EE	393(3)-[Table:-Sl. No. 6]	Any amount referred to in section 80CCA(2)(a) [i.e., Deduction in respect of deposits under National Savings Scheme or payment to a deferred annuity plan] of the Income-tax Act, 1961 (43 of 1961).	Any person	INR 2,500	10%
194T	393(3)-[Table:-Sl. No. 7]	Any sum in the nature of salary, remuneration, commission, bonus or interest paid to a partner of the firm or credited to his account (including capital account).	Any person, being a firm	INR 20,000	10%

DIRECT TAX

194E	393(2)-[Table:-Sl. No. 1]	Any income referred to in section 211 (Earlier section 115BBA) of- (a) A non-resident sportsman (including an athlete) or an entertainer, who is not a citizen of India or (b) A non-resident sports association or institution.	Any person	No threshold limit	20%
194LC	393(2)-[Table:-Sl. No. 2]	Any income by way of interest payable to any non-resident (not being a company) or a foreign company, in respect of moneys borrowed in foreign currency from a source outside India- (a) under a loan agreement or issue of long-term infrastructure bond on or after the 1st July, 2012 but before the 1st July, 2023, or (b) by way of issue of any longterm bond on or after the 1st October, 2014 but before the 1st July, 2023, which is approved by the Central Government in this behalf.	Any Indian company or a business trust	No threshold limit	5%
194LC	393(2)-[Table:-Sl. No. 3]	Any income by way of interest payable to any non-resident (not being a company) or a foreign company, in respect of moneys borrowed from a source outside India by way of issue of rupee denominated bond before the 1st July, 2023.	Any Indian company or a business trust	No threshold limit	5%

DIRECT TAX

194LC	393(2)-[Table:-Sl. No. 4]	Any income by way of interest payable to any non-resident (not being a company) or a foreign company, in respect of moneys borrowed from a source outside India by way of issue of any long-term bond or rupee denominated bond, which is listed only on a recognised stock exchange located in any International Financial Services Centre.	Any Indian company or a business trust	No threshold limit	(a) 4%, where such bonds are issued on or after the 1st April, 2020 but before the 1st July, 2023 or (b) 9%, where such bonds are issued on or after the 1st July, 2023.
194LB	393(2)-[Table:-Sl. No. 5]	Income by way of interest of any non-resident (not being a company) or a foreign company.	Any infrastructure debt fund referred to in Schedule VII (Table: Sl. No. 46)	No threshold limit	5%
194LBA(2)	393(2)-[Table:-Sl. No. 6]	Any distributed income of any unitholder being a non-resident (not being a company) or a foreign company referred to in section 223 [Earlier section 115UA], being of the nature referred to in Schedule V (Table: Sl. No. 3) [Earlier section 10(23FC)].	Any business trust	No threshold limit	(a) 5%- in case of income of the nature referred to in Schedule V [Table: Sl. No. 3. B(a)][Earlier section 10(23FC)(a)] (b)10%- in case of income of the nature referred to in Schedule V [Table: Sl. No. 3. B(b)] [Earlier section 10(23FC)(b)]

194LBA(3)	393(2)-[Table:-Sl. No. 7]	Any distributed income of any unitholder being a non-resident (not being a company) or a foreign company referred to in section 223, [Earlier section 115UA] being of the nature referred to in Schedule V (Table: Sl. No. 4) [Earlier section 10(23FCA)].	Any business trust	No threshold limit	Payee is- Foreign Co.- 35% Other cases- 30%
194LBB	393(2)-[Table:-Sl. No. 8]	Any income of any unitholder being a non-resident (not being a company) or a foreign company, other than that proportion of income which is exempt under Schedule V (Table: Sl. No. 2) [Earlier section 10(23FBB)], in respect of units of an investment fund specified in section 224 [Earlier section 115UB].	Any investment fund specified in section 224 [Earlier section 115UB]	No threshold limit	Payee is- Foreign Co.- 35% Other cases- 30%
194LBC(2)	393(2)-[Table:-Sl. No. 9]	Any income of any investor being a non-resident (not being a company) or a foreign company in respect of an investment in a securitisation trust specified in section 221 [Earlier section 115TCA].	Any securitisation trust specified in section 221 [Earlier section 115TCA]	No threshold limit	Payee is- Foreign Co.- 35% Other cases- 30%
196A	393(2)-[Table:-Sl. No. 10]	Any income of any non-resident (not being a company) or a foreign company- (a) in respect of units of a Mutual Fund specified under Schedule VII (Table: Sl. No. 20 or 21), or (b) in respect of units from the specified company.	Any person	No threshold limit	20%

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196B	393(2)-[Table:-Sl. No. 11]	Any income of an offshore fund in respect of units referred to in section 208 [Earlier section 115AB]	Any person	No threshold limit	10%
196B	393(2)-[Table:-Sl. No. 12]	Any income of an offshore fund by way of long-term capital gains arising from the transfer of units referred to in section 208 [Earlier section 115AB]	Any person	No threshold limit	12.50%
196C	393(2)-[Table:-Sl. No. 13]	Any income of any non- resident by way of interest or dividends in respect of bonds or Global Depository Receipts referred to in section 209 [Earlier section 115AC].	Any person	No threshold limit	10%
196C	393(2)-[Table:-Sl. No. 14]	Any income of any non-resident by way of long-term capital gains arising from the transfer of bonds or Global Depository Receipts referred to in section 209 [Earlier section 115AC].	Any person	No threshold limit	12.50%
196D	393(2)-[Table:-Sl. No. 15]	Any income of foreign Institutional Investors in respect of securities referred to in section 210(1) (Table: Sl. No. 1) [Earlier section 115AD(1)(a)].	Any person	No threshold limit	20%

DIRECT TAX

196D	393(2)-[Table:-Sl. No. 16]	Any income of a specified fund referred to in Schedule VI [Note 1(g)] [Earlier section 10(4D)] in respect of securities referred to in section 210(1) (Table: Sl. No. 1)[Earlier section 115AD(1)(a)].	Any person	No threshold limit	10%
195	393(2)-[Table:-Sl. No. 17]	Any interest (not being interest referred to against serial numbers 2, 3, 4 and 5) or any other sum chargeable under the provisions of this Act, not being income chargeable under the head "Salaries" of any non-resident (not being a company) or a foreign company.	Any person	No threshold limit	Rates in Force
206C(1)	394(1)-[Table:-Sl. No. 1]	Alcoholic Liquor for human consumption	Seller	No threshold limit	2%
206C(1)	394(1)-[Table:-Sl. No. 2]	Sale of Tendu Leaves	Seller	No threshold limit	2%
206C(1)	394(1)-[Table:-Sl. No. 3]	Sale of timber whether obtained under a forest lease or otherwise or any other forest produce (not being timber or tendu leaves) obtained under a forest lease.	Seller	No threshold limit	2%
206C(1)	394(1)-[Table:-Sl. No. 4]	Sale of Scrap	Seller	No threshold limit	2%
206C(1)	394(1)-[Table:-Sl. No. 5]	Sale of minerals, being coal or lignite or iron ore.	Seller	No threshold limit	2%

DIRECT TAX

206C(1F)	394(1)-[Table:-Sl. No. 6]	Sale consideration exceeding ten lakh rupees in case of- (a) motor vehicle or (b) any other goods, as may be notified by the Central Government.	Seller	INR 10,00,000	1%
206C(1G)	394(1)-[Table:-Sl. No. 7]	Remittance under the Liberalised Remittance Scheme of an amount or aggregate of the amounts exceeding ten lakh rupees	Authorised dealer	INR 10,00,000	(a) 2% - for purposes of education or medical treatment, (b) 20%- for purposes other than education or medical treatment.
206C(1G)	394(1)-[Table:-Sl. No. 8]	Sale of 'overseas tour programme package' including expenses for travel or hotel stay or boarding or lodging or any such similar or related expenditure.	Seller	No threshold limit	2%
206C(1C)	394(1)-[Table:-Sl. No. 9]	Use of parking lot or toll plaza or mine or quarry for the purpose of business, excluding mining and quarrying of mineral oil (including petroleum and natural gas).	Lecensor or Lessor	No threshold limit	2%

Note:- Section 397(2) [Corresponding to erstwhile sections 206AA & 206CC]-

As per section 397(2)(a) of Income Tax Act, 2025, irrespective of anything contained in any other provision of this Act, every person, entitled to receive any amount on which tax is deductible or, paying any amount on which tax is collectible, shall furnish his valid Permanent Account Number (PAN) to the person responsible for deducting or collecting tax.

(b) In case of failure to comply with provisions of clause (a):

1. Tax Deduction (TDS): Tax shall be deducted at the higher of the following rates-

- at the rate specified in the relevant provision of this Act; or
- at the rate or rates in force; or
- at the rate of 5% where tax is required to be deducted under section 393(1) [Table: Sl. No. 8(ii) or 8(v)]; or 20% in any other case;

2. Tax Collection (TCS): Tax shall be collected at the higher of the following rates, not exceeding 20%-

- at twice the rate specified in the relevant provision of this Act; or
- at the rate of 5%;



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