

Class - B.Com - III
 Sem. - 6th
 Sub. - Income tax

Topic - T.D.S - Part 2

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Payments subject to deduction of tax at source.

The following types of incomes are subject to deduction of tax at source:-

1. Salaries: (Sec. 192)
2. Payment of recognised provident fund. Sec. 192A
3. Interest on securities: (Sec. 193)
4. Interest on other than securities. Sec. 194(A)
5. Winning from lotteries or crossword puzzles. (Sec. 194B)

(1) T.D.S on Salaries: Sec. 192 AY (2020-21) FY (2019-20)

Step 1 - Computation estimated

	Gross Salary or income from salary = ₹ 10,00,000
less:	Deduction 415 From 80 to 804 = ₹ 2,00,000
	(i) 80C
	(ii) 80CCC
	(iii) 80CCD
	(iv) 80D
	(v) - 80G
	↓
	804
	Life premium 50000
	Contribution = 20000
	Medical = 10000
	Health = 20000
	↓
	1,00,000

Total income from Salary = ₹ 9,00,000

Tax will be computed with advance tax rate of

AY (2020-21) with Advance Rates:

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Estimated tax on Income tax £ 900,000

→ tax on 1st £ 250,000 @ Nil = 50

→ tax on next £ 250,000 @ 5% = 12,500

→ tax on next £ 500,000 @ 20% = 80,000
= 40,000 →

tax = 92,500

Add: education
cost @ 4% = 3,700

Estimated total tax = £ 96,200

Note: tax (T.D.S) will be deducted

in monthly $\frac{96200}{12} = \text{£ } 8016 \text{ p.m}$

= £ 8020 p.m

Rules for deduction of tax at source

- (i) who will deduct the tax? →
- (ii) when tax will be deducted. →
- (iii) Salary from more than one employer. →
- (iv) T.D.S after considering income under other heads. →

- (I) Exemption regarding house rent allowance:-
- (i) If HRA does not exceed ₹ 3000 ^{p.m} - No Rent Receipt
 - (ii) If HRA exceed ₹ 3000 p.m → Rent Receipt
 - (iii) If ~~HRA~~ annual rent exceed ₹ 1,00,000 → PAN will be given to Landlord

Provisions relating to tax paid by the employer on prerequisites provided to an employee

Relief u/s 89 by the employer. ∴ Regarding receipt of salary is arrears or Advance

Adjustment regarding deduction of tax.

- (A) Deposit of tax: (Rule 30)
 - (i) Government →
 - (a) without tax challan → on the same day
 - (b) by an tax challan → within seven days from the end of month - tax deducted
 - (ii) Other deductors
 - (a) in the month of march → upto 30th April
 - (b) in any other case → 07 days before the end of month - tax deducted

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Filing of quarterly statement:-

Form - 24G.

Period - 30th June, 30th Sept, 31st December, and 31st March in each financial year.

Due date of furnishing the quarterly statement of T.D.S:-

S. no	Quarter ending	Due Date
1.	30th June	31st July
2.	30th September	31st October
3.	31st December	31st January
4.	31st March	31st May

Furnishing of evidence of claims by employee for deduction of tax u/s 192:-

→ Form No. 12BB to his employer to claim exemption or deductions;

1. HRA in p.y exceeding ₹ one lakh ✓
2. LTC ✓
3. Deduction of interest under the head "Income from House property." ✓
4. Deduction under sections 80C to 80D. ✓