

TDS Rate Chart

FY 2026-27

CHECKED & UPDATED

16 Oct 2026

Tax year 2026-27 · Section 393, Income-tax Act, 2025 · With payment codes

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Note. For payments in FY 2025-26 (quarters up to March 2026), the 1961 Act section numbers and Forms 26Q/27Q still apply. [FY 2025-26 chart \(PDF\)](#) →

PAYMENTS TO RESIDENTS

Section 393(1), Table 1

SL.	PAYMENT CODE	NATURE OF PAYMENT	OLD SECTION	THRESHOLD	RATE
1(i)	1005	Insurance commission	194D	₹20,000	2% (non-company); 10% (company)
1(ii)	1006	Commission or brokerage (other than insurance)	194H	₹20,000	2%
2(i)	Form 141	Rent paid by an individual or HUF not liable to audit	194-IB	₹50,000 per month or part	2%
2(ii)	1008	Rent — plant, machinery, equipment	194I(a)	₹50,000 per month or part	2%
2(ii)	1009	Rent — land, building, furniture, fittings	194I(b)	₹50,000 per month or part	10%
3(i)	1011	Purchase of immovable property (other than agricultural land) — on the higher of consideration and stamp-duty value	194-IA	₹50 lakh	1%
4(i)	1013	Income from units of mutual funds	194K	₹10,000	10%
5(i)	1019	Interest on securities	193	₹10,000	10%
5(ii)	1020	Interest from bank, co-operative bank, post office — senior citizen	194A	₹1,00,000	10%
5(ii)	1021	Interest from bank, co-operative bank, post office — others	194A	₹50,000	10%
5(iii)	1022	Interest other than on securities, from any other payer	194A	₹10,000	10%
6(i)	1023	Contractor — payee is an individual or HUF	194C	₹30,000 per sum; ₹1,00,000 aggregate	1%
6(i)	1024	Contractor — payee is any other person	194C	₹30,000 per sum; ₹1,00,000 aggregate	2%
6(ii)	Form 141†	Work, professional fees, or commission paid by an individual or HUF not otherwise required to deduct	194M	₹50 lakh	2%
6(iii)	1026	Fees for technical services; royalty on cinematographic films; call-centre operators	194J(a)	₹50,000	2%
6(iii)	1027	Fees for professional services; other royalty; non-compete fees	194J(b)	₹50,000	10%
6(iii)	1028	Director's fees, commission, or remuneration not taxed as salary	194J	Nil	10%
7	1029	Dividend	194	₹10,000†	10%

SL.	PAYMENT CODE	NATURE OF PAYMENT	OLD SECTION	THRESHOLD	RATE
8(i)	1030	Sum under a life insurance policy (on the income component)	194DA	₹1,00,000	2%
8(ii)	1031	Purchase of goods by a buyer with turnover above ₹10 crore	194Q	₹50 lakh per seller per year, on the excess	0.1%
8(iv)	1033	Benefit or perquisite arising from business or profession	194R	₹20,000	10%
8(v)	1035	E-commerce operator on sales of participants	194-0	Nil (₹5 lakh relief for individuals/HUF†)	0.1%
8(vi)	1037	Transfer of virtual digital assets	194S	Nil (₹50,000 / ₹10,000 relief†)	1%

On the payment codes. The forms (138, 140, 141, 143, 144) and the due dates are prescribed by Rule 219 of the Income-tax Rules 2026. The four-digit payment codes are not in the Rules — they are carried in the return form’s schedule and the filing utility. The codes above are the published Form 140 codes, cross-checked against the code list maintained by Razorpay Payroll. ‡ Rent paid by non-audited individuals (old 194-1B) and payments by individuals under old 194M are not Form 140 lines at all — the deductor files a challan-cum-statement (Form 141, replacing 26QC and 26QD) and needs no TAN — so they carry no Form 140 code. † These thresholds are not in Table 1 itself (which shows *Nil*) but in the no-deduction table under Section 393(4): dividend relief (Sl. 10(f)) applies only to an individual shareholder paid other than in cash, up to ₹10,000 a year; the e-commerce relief (Sl. 11) to an individual or HUF participant with gross sales up to ₹5 lakh who has furnished PAN or Aadhaar; the virtual-digital-asset relief (Sl. 12) to ₹50,000 where the payer is an individual or HUF below the audit thresholds, ₹10,000 otherwise.

Missing PAN: 20% or the rate above, whichever is higher — except purchase of goods, where it is 5%. **GST:** where shown separately on the invoice, deduct on the value excluding GST. **Job-work (Sl. 6(ii)):** where a contractor manufactures from material purchased from you, deduct on the invoice value *excluding* the material if it is shown separately, otherwise on the whole invoice — this is now written into the Act as a note to the table. **Aggregate thresholds** are tested across the financial year per payee; once crossed, TDS applies to the whole amount.

WINNINGS, CASH WITHDRAWALS AND PARTNERS

Section 393(3), Table 3

SL.	PAYMENT CODE	NATURE OF PAYMENT	OLD SECTION	THRESHOLD	RATE
1	1058	Winnings from lottery, crossword, card games, gambling, betting	194B	₹10,000 per transaction	30%
2	1060	Winnings from online games	194BA	Per notes	30%
3	1062	Winnings from horse races	194BB	₹10,000 per transaction	30%
4	1063	Commission or prize to lottery ticket agents	194G	₹20,000	2%
5	1064 / 1065	Cash withdrawals from bank accounts — 1064 where the recipient is a co-operative society, 1065 otherwise	194N	₹1 crore (₹3 crore for co-operatives)	2%
7	1067	Salary, remuneration, commission, bonus, or interest paid to a partner by a firm or LLP	194T	₹20,000 aggregate	10%

PAYMENTS TO NON-RESIDENTS

Section 393(2), Table 2

Payments to non-residents — professional fees, royalty, interest, rent, and the purchase of property from an NRI seller — are under **Section 393(2)** (old Section 195 and its neighbours), reported on **Form 144**, and carry the rates in force for the income concerned, subject to any lower rate under a tax treaty. For an NRI selling property held more than 24 months, the rate on the long-term gain is **12.5% plus surcharge and cess** — applied to the whole consideration unless the seller holds a lower-deduction certificate. Our guides to [buying property from an NRI](#) and [NRI and FEMA taxation](#) cover the procedure; the certificate is applied for six to eight weeks before registration.

COMPLIANCE CALENDAR

Deposit, return and certificate timelines

STEP	TIMING
Deduct	At credit or payment, whichever is earlier
Deposit	By the 7th of the following month; March deductions by 30 April

STEP	TIMING
Quarterly return	Form 140 (residents) / Form 144 (non-residents) / Form 138 (salary) — quarters ending 30 June, 30 September, 31 December, 31 March due by 31 July, 31 October, 31 January, 31 May (Rule 219(4))
Certificate to the deductee	Within 15 days of the return due date
Property purchase and rent by non-audited individuals (old 26QB / 26QC)	Form 141 challan-cum-statement within 30 days from the end of the month of deduction (Rule 219(5))

Interest for failure to deduct (1% a month), for deducting but not depositing (1.5% a month), the ₹200-a-day late fee, and the **30% disallowance of the expense** for a missed deduction all continue under the new Act under renumbered provisions.

CROSS-CHECK

Old section to new reference

OLD SECTION	NEW REFERENCE	PAYMENT CODE
192	Section 392	—
193	393(1) Sl. 5(i)	1019
194	393(1) Sl. 7	1029
194A	393(1) Sl. 5(ii)–(iii)	1020 / 1021 / 1022
194C	393(1) Sl. 6(i)	1023 / 1024
194D	393(1) Sl. 1(i)	1005
194H	393(1) Sl. 1(ii)	1006
194I	393(1) Sl. 2(ii)	1008 / 1009
194-IA	393(1) Sl. 3(i)	1011
194-IB	393(1) Sl. 2(i)	Form 141 (no Form 140 code)
194J	393(1) Sl. 6(iii)	1026 / 1027 / 1028
194M	393(1) Sl. 6(ii)	Form 141 (no Form 140 code)
194DA	393(1) Sl. 8(i)	1030
194K	393(1) Sl. 4(i)	1013
194B / 194BA / 194BB / 194G	393(3) Sl. 1–4	1058 / 1060 / 1062 / 1063
194N	393(3) Sl. 5	1064 (co-operative) / 1065 (other)
194-O	393(1) Sl. 8(v)	1035
194Q	393(1) Sl. 8(ii)	1031
194R	393(1) Sl. 8(iv)	1033
194S	393(1) Sl. 8(vi)	1037
194T	393(3) Sl. 7	1067
195	393(2)	Form 144 codes by nature of income
206C	Section 394	—
Form 24Q / 26Q / 27Q / 27EQ	Form 138 / 140 / 144 / 143	—
Form 26QB / 26QC	Form 141	—

What changed on 1 April 2026

	UNTIL 31 MARCH 2026	FROM 1 APRIL 2026
Governing law	Income-tax Act, 1961	Income-tax Act, 2025
Non-salary TDS provisions	Sections 193 to 196D	Section 393 , Tables 1 to 3
Salary TDS	Section 192	Section 392
TCS	Section 206C	Section 394
Identifier on returns	Section number (194C, 194J...)	Payment code (four digits)
Quarterly return, salary	Form 24Q	Form 138
Quarterly return, residents	Form 26Q	Form 140
Quarterly return, non-residents	Form 27Q	Form 144
Challan-cum-statement — property purchase, rent by individuals	Form 26QB / 26QC	Form 141
Quarterly TCS return	Form 27EQ	Form 143
Rates and thresholds	As set by Finance Act 2025	Unchanged
Higher rate for missing PAN	20% (5% on purchase of goods)	Continues
Higher rate for non-filers (old 206AB)	Withdrawn 1 April 2025	Not in the new Act
TCS on sale of goods (old 206C(1H))	Withdrawn 1 April 2025	Not in the new Act

The rates are the easy part.

Deducting at credit, depositing by the 7th and filing every quarter on time is where businesses default. We run TDS as part of monthly accounting for SMEs, startups and firms across the Tricity and India.

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