



Income Tax Department

Government of India

Various **Threshold Limits** under the Income Tax Act

[AY 2022-23]

J.	Deduction of tax at source and Advance tax		
1.	No deduction of tax at source from salaries	192	If net taxable income is less than maximum amount which is not chargeable to tax (Rs. 2,50,000 for an individual, Rs. 3,00,000 for Senior Citizens and Rs. 5,00,000 for Super Senior Citizens)
1A	No TDS from payment of provident fund account of an employee	192A	If amount paid is less than Rs. 30,000. (Rs. 50,000 w.e.f. 1-6-2016)
2.	No TDS from interest paid on debentures issued by a company in which public are substantially interested. Provided interest is paid by account payee cheque to resident individual or HUF	193	If amount paid or payable during the financial year does not exceed Rs. 5,000
3.	No TDS from interest on 8% Saving (Taxable) Bonds 2003 and 7.75% Savings (Taxable) Bonds, 2018 paid to a resident persons	193	If amount paid or payable during the financial year does not exceed Rs. 10,000
3A.	No TDS from interest on 6.5% Gold bonds, 1977 or 7% Gold bonds, 1980 paid to resident individual	193	If a declaration is made that the nominal value of such bonds did not exceed Rs. 10,000 at any time during the previous year
4.	No TDS from dividend paid by any mode other than cash to resident persons	194	If amount paid or payable during the financial year does not exceed Rs. 5,000
5.	No TDS from interest (other than on interest on securities) paid by a banking company, co-operative bank or specified public company on time deposits Note: With effect from 01.06.2015, tax shall be deducted from interest credited or paid by a co-operative bank to its member	194A	If amount paid or payable during the financial year does not exceed Rs. 40,000 (Rs. 50,000 in case of Senior Citizens) Note: a) With effect from 01.06.2015, time deposit shall also include recurring deposit. Therefore,

			<p>tax shall be deduction from payment of interest on recurring deposit if it exceeds the threshold limit of Rs. 40,000/50,000.</p> <p>b) The threshold limit of Rs. 40,000/50,000 shall be computed with reference to the income credited or paid by a banking company or co-operative bank (and not by individual branch thereof) which has adopted core banking solutions ('CBS').</p>
6.	No TDS from payment of interest on deposit with a post office under Senior Citizens Saving Scheme Rules, 2004	194A	If amount paid or payable during the financial year does not exceed Rs. 50,000
7.	No TDS from interest other than on securities (in any other case)	194A	If amount paid or payable during the financial year does not exceed Rs. 5,000
8.	No TDS from interest on compensation awarded by payment of Motor Accident Claims Tribunal	194A	<p>If amount paid during the financial year does not exceed Rs. 50,000</p> <p>Note:</p> <p>With effect from 01.06.2015, no tax shall be deducted at the time of credit of interest on compensation awarded by the Motor Accidents Claims Tribunal.</p>
9.	No TDS from Lottery / Cross Word Puzzles	194B	If amount paid or payable during the financial year does not exceed Rs. 10,000
10.	No TDS from winnings from horse races	194BB	If amount paid or payable during the financial year does not exceed Rs. 10,000
11.	No TDS from sum paid or payable to contractor	194C	<p>a) If sum paid or payable to a contractor in a single payment does not exceed Rs. 30,000</p> <p>b) If sum paid or payable to contractor in aggregate</p>

			does not exceed Rs. 1,00,000 during the financial year
12.	No TDS from insurance commission paid or payable during the financial year	194D	If amount paid or payable during the financial year does not exceed Rs. 15,000
12A	No TDS on the amount of income comprised in sum payable under a life insurance a police (including bonus) to a resident (w.e.f. 01-10-2014) person	194DA	If amount paid or payable during the financial year does not exceed Rs. 1 lakh
13.	No TDS from payments made out of deposits under NSS	194EE	If amount paid or payable during the financial year does not exceed Rs. 2,500
14.	No TDS from commission paid on lottery tickets	194G	If amount paid or payable during the financial year does not exceed Rs. 15,000
15.	No TDS from payment of commission or brokerage	194H	If amount paid or payable during the financial year does not exceed Rs. 15,000. Further no tax to be deducted from commission payable by BSNL/ MTNL to their PCO Franchisees.
16.	No TDS from payment of rent in respect of land & building, furniture or fittings or plant and machinery	194-I	If amount paid or payable during the financial year does not exceed Rs. 2,40,000
17.	No TDS from payment of consideration for purchase of an immovable property (other than agriculture land)	194-IA	If amount paid or payable during the financial year does not exceed Rs. 50 Lakhs
17A.	No TDS from payment of rent in respect of any land or building. Note: Other than the rent covered by section 194-I	194-IB	If amount paid or payable during the financial year does not exceed Rs. 50,000
18.	No TDS from payment of professional fees, technical fees, royalty and directors' remuneration	194J	If amount paid or payable during the financial year does not exceed Rs. 30,000
19.	No TDS from payment of compensation on compulsory acquisition of immovable property (other than Agricultural Land)	194LA	If amount paid or payable during the financial year does not exceed Rs. 2.50
19A.	No obligation to deduct tax by an Individual or HUF (other than those who are required to deduct income-tax as per the provisions of section 194C , section 194H or section 194J) responsible for paying any sum to any resident for carrying out any work (including supply of	194M	If aggregate of sum paid or credited during a financial year does not exceed Rs. 50 lakh.

	labour for carrying out any work) in pursuance of a contract, by way of commission (not being insurance commission referred to in section 194D) or brokerage or by way of fees for professional services.		
19B.	No obligation to deduct tax by a banking company, co-operative bank or a post office on cash withdrawal made by a person.	194N	If aggregate of amount of cash withdrawal during the financial year from one or more account does not exceed Rs. 1 crore/20 lakhs (as the case may be).
19C.	No TDS from payment to participants of e-commerce	194-O	If amount paid or payable to resident Individual or HUF during the financial year does not exceed Rs. 5 Lakhs
19D.	No TDS from payment made to resident seller	194Q	No TDS if amount paid or payable to resident seller for purchase of goods during the Financial Year if aggregate value of goods doesn't exceed Rs. 50 lakhs
20.	Furnishing of quarterly return in respect of payment of interest (other than interest on securities) to residents without deduction of tax	206A	If amount paid or payable during the financial year does not exceed: a) Rs.40,000 where payer is banking company or co-operative society; b) Rs.5,000 in other case
21.	Every person being a seller who receives any amount as consideration for sale of motor vehicle shall collect tax at source at the rate of 1% of sale consideration.	206C	If sale value of motor vehicle exceeds Rs. 10,00,000
21A.	Remittance under Liberalized Remittance Scheme	206C(1G)	Amount remitted by a buyer during a financial year is less than Rs. 7 lakh and it is for the purpose other than purchase of overseas tour program package
21B.	Sale of Goods	206C(1H)	If the aggregate value of sale in any previous year exceeds Rs. 50 lakhs
22.	A person (not being a banking company) carrying on any business or profession in India may file an application for certificate authorizing receipt of interest and other sums without deduction of tax under section 195 (Subject to certain conditions).	Rule 29B	If he has been carrying on business or profession in India continuously for a period of not less than 5 years immediately preceding the date of the application and the value of the fixed assets in India of such business or profession as shown in his relevant books for the

			earlier year exceeds Rs.50,00,000
23.	Any person responsible for paying to a non-resident, not being a company, or to a foreign company, any interest or salary or any other sum chargeable to tax under the provisions of the Act, shall furnish information.	Rule 37BB	<p>In Part A of Form No. 15CA if the amount of payment doesn't exceed Rs. 5,00,000 in aggregate during the financial year</p> <p>In Part B of Form No. 15CA if the amount of payment exceeds Rs. 5,00,000 in aggregate during the financial year and a certificate under section 195(2)/ 195(3)/ 197 of Income-tax Act has been obtained from the Assessing Officer.</p> <p>In Part C of Form No. 15CA if the amount of payment exceeds Rs. 5,00,000 in aggregate during the financial year and a certificate in Form No. 15CB has been obtained from a Chartered Accountant.</p>
23A.	Any person responsible for paying to a non-resident, not being a company, or to a foreign company, any sum not chargeable to tax under the provisions of the Act, shall furnish information.	Rule 37BB	<p>In Part D of Form No. 15CA. However, there is no reporting requirement in following cases:-</p> <ul style="list-style-type: none"> i) If payment is made by an individual and it is permissible under Liberalized Remittance Scheme. ii) If remittance is covered under the Specified list
24.	Liability for payment of advance tax	208	Taxpayer is liable to pay advance-tax if his advance tax liability exceeds Rs. 10,000

[As amended by Finance Act, 2021]