

Tds Section - 194 G + 194 H Lecture-12

Sure, here's a brief overview of TDS (Tax Deducted at Source) sections 194G and 194H:

- **Section 194G:**
- This section deals with TDS on commission, prize, or winnings.
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- **Applicability:** TDS is deducted when the commission or brokerage exceeds Rs. 15,000.
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- **Rate of TDS:** The applicable TDS rate is 5%.
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- **Section 194H:**
- This section pertains to TDS on commission or brokerage.
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- **Applicability:** TDS is applicable when commission or brokerage exceeds Rs. 15,000.
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- **Rate of TDS:** The TDS rate under this section is 5%.

Key Points:

- Both sections 194G and 194H are part of the Income Tax Act, 1961, and mandate TDS deduction when certain payment thresholds are met.
- TDS must be deducted at the time of credit of such income to the account of the payee or at the time of payment, whichever is earlier.
- The deductor is required to deposit the TDS amount with the government and furnish TDS returns as per the prescribed timelines.
- Understanding these sections is crucial for businesses and individuals involved in making payments that fall under these categories to ensure compliance with TDS provisions.
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