

Finance Act, 2009

TDS Chart

September 08, 2009

Doing common things, *Uncommonly well.*

Blue Consulting Pvt. Ltd.

A Finance & Accounts outsourcing company

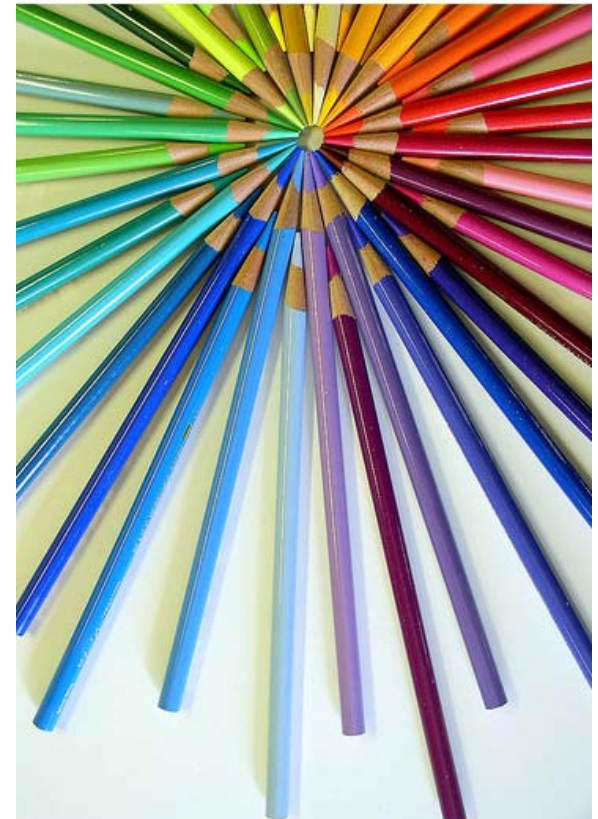
The Finance Bill (No. 2), 2009 received assent from the President on 19th August' 2009 and it became Finance (No. 2) Act, 2009.

In the Finance Bill, surcharge and cess on TDS rates for resident assessee were proposed to be abolished.

After enactment of Finance Act on 19th Aug' 2009, TDS rates have got changed due to abolition of surcharge and cess.

For your ready reference, the revised and important TDS rates are given in the next two pages.

We hope this compilation will be useful to you.



TDS chart



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Nature of Payments	01.04.2009 to 18.08.09	19.08.09 to 30.09.2009	1.10.2009 to 31.3.2010
Section 194 C			
i Individual contractor	2.266 %	2 %	1 %
ii Other than individual contractor	2.266 %	2%	2 %
iii Individual sub – contractor	1.133 %	1 %	1 %
iv Other than individual sub – contractor	1.133 %	1 %	2 %
v Individual contractor /sub-contractor for advertising	1.133 %	1 %	1 %
vi Other than individual contractor /sub-contractor for advertising	1.133 %	1 %	2 %
vii Contractor in transport business	2.266 %	2 %	Nil ¹
viii Sub-contractor in transport business	1.133 %	1 %	Nil ¹

Notes related to Section 194 C:

1. The Nil rate will be applicable if the transporter quotes its PAN otherwise the rate will 1% for an individual contractor and 2% for other than individual transporter.
2. The term 'Individual' wherever appearing above may please be read as ' Individual /HUF'

Nature of Payments	01.04.2009 to 18.08.09	19.08.09 to 30.09.2009	1.10.2009 to 31.3.2010
Section 194 I			
i Rent of plant, machinery or equipment	11.33 %	10 %	2 %
ii Rent of land, building or furniture to an Individual and HUF	16.99 %	15 %	10 %
iii Rent of land, building or furniture to a person other than an Individual and HUF	22.66%	20 %	10 %
Section 194 J			
i Payment for professional or technical services	11.33 %	10 %	10 %
Section 194 H			
i Commission and Brokerage	11.33 %	10 %	10 %

General notes:

- The rate of TDS will be **20%** in all cases if PAN is not quoted by the deductee as per **Section 206AA** w.e.f. 01.04.2010 (Financial Year 2010-11).
- Only few important TDS sections has been discussed here as there is no change in other TDS rates related to payments being made to a resident deductee.
- For ease of calculation, comparison and presentation, we have included surcharge (SC), education cess (EC) and secondary & higher education cess (SHEC) in the TDS rates mentioned under the column titled as '01.04.09 to 18.08.09'.
- EC & SHEC will continue to be applicable in the case of **TDS on Salary**. However, no surcharge shall be charged.
- While making payments to **non- residents**, surcharge and cess shall be as below:
 - Payment to a Company outside India : SC @ 2.5% + EC + SHEC (*no change in any provisions related to this category*)
 - Payment to a person other than Company outside India : EC + SHEC (no surcharge shall be applicable)

About us

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For any professional advise required in relation to these provisions, please contact us :

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*"A dream is not that
which you see in sleep
A dream is that
which dose not let you sleep"*

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Blue Consulting, or BC, has its roots in a well established, four decade old chartered accountants firm. Utilizing forty years of industry experience and functional expertise, BC looks innovatively beyond standard solutions to develop new insights, drive tangible results, and empower clients to achieve greater results.

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