

LATEST AMENDMENTS IN QUARTERLY REPORTING ON TDS / TCS

PADMAJOTHI N

Sept 2023



OUR MISSION

To be the leading provider of **'World-class Payroll and Compliance'** that is reliable, consistent, and client-centric, enabling SMEs, SMBs & Corporates to achieve a competitive edge at affordable cost.

OUR VISION

- ⦿ Most respected and renowned firm in the HR and finance domain
- ⦿ Ensure unmatched quality, best-in-class support
- ⦿ Our effectiveness is beyond expectations

OUR VERTICALS





FACTS ABOUT US

14 years
young

153 clients &
counting

12L transaction
/quarter

99.49
accuracy rate

16
cities

4.76L
form 16's issued

99.98 client retention
rate

TODAY'S AGENDA

Updates on TDS and TCS deduction

Latest Amendments on reporting TDS and TCS

Q & A Session

TCS rates effective from 1st Oct 23

S. No	Nature of Payment	Current Tax Rate	Tax Rate w.e.f 1 st October 2023
1	Purchase of overseas tour package program	5%	5% till Rs. 7 Lakh, 20% thereafter
2	LRS for education financed by loan	Nil upto Rs. 7 Lakh 0.5% above Rs. 7 Lakh	Nil upto Rs. 7 Lakh 0.5% above Rs. 7 Lakh
3	LRS for Medical treatment / education (Other than financed by loan)	Nil upto Rs. 7 Lakh 5% above Rs. 7 Lakh	Nil upto Rs. 7 Lakh 5% above Rs. 7 Lakh

TCS rates effective from 1st Oct 23

S. No	Nature of Payment	Current Tax Rate	Tax Rate w.e.f 1 st October 2023
4	LRS for other purposes	Nil upto Rs. 7 Lakh 5% above Rs. 7 Lakh	Nil upto Rs. 7 Lakh 20% above Rs. 7 Lakh

Whether payment made through an International credit card would be counted in LRS?

No TCS shall be applicable on expenditures made through international credit card while being overseas

Whether the threshold limit of Rs. 7 Lakh, for TCS becomes applicable on LRS for various purpose like education, Health Treatment and others?

No, It has been clarified that the combined threshold limit is Rs. 7 Lakh irrespective of the purpose of the remittance

For Eg:

S. No	Purpose of remittance	Date	Amount	TCS Rate
1	Education purpose	April -23	Rs. 700000	Not applicable
2	Medical Treatment	June -23	Rs. 700000	5%
3	Other Purpose	Sept -23	Rs. 400000	5%
4	Other Purpose	Oct -23	Rs 300000	20%

Whether the threshold limit of Rs. 7 Lakh, for TCS become applicable on LRS, applies separately for each remittance through different authorized dealers?

No, It has been clarified that the threshold limit of Rs. 7 Lakh is for the amount being remitted by the buyer not for authorised dealer

Whether the threshold limit of Rs. 7 Lakh for remittance under LRS for TCS become applicable while there is another threshold of Rs. 7 Lakh for the purchase of overseas tour packages where the reduced rate of 5% is applicable?

Yes, two thresholds apply independently.

For Eg:

S. No	Purpose of remittance	Date	Amount	TCS Rate
1	Education purpose	April -23	Rs. 700000	Not applicable
2	Medical Treatment	June -23	Rs. 700000	5%
3	Other Purpose	Sept -23	Rs. 400000	5%
4	Overseas tour package	Sept -23	Rs. 1500000	5%
5	Other Purpose	Oct -23	Rs 300000	20%

For Eg:

S. No	Purpose of remittance	Date	Amount	TCS Rate
1	Education purpose	April -23	Rs. 700000	Not applicable
2	Medical Treatment	June -23	Rs. 700000	5%
3	Other Purpose	Sept -23	Rs. 400000	5%
4	Overseas tour package	Oct -23	Rs. 1500000	5% on 7L + 20% on 8L
5	Other Purpose	Oct -23	Rs 300000	20%

For Eg:

S. No	Purpose of remittance	Date	Amount	TCS Rate
1	Overseas tour package	May -23	Rs. 500000	5%
2	Medical Treatment	June -23	Rs. 700000	Not Applicable
3	Other Purpose	Sept -23	Rs. 400000	5%
4	Overseas tour package	Oct -23	Rs. 1500000	5% on 2L + 20% on 13L
5	Other Purpose	Oct -23	Rs 300000	20%

Tax Benefits to Agniveers

Applicable for the Individuals enrolled in Agnipath scheme after 1st Nov 22

Income received from Agniveer corpus Fund is exempted under section 10(12C)

Section 80CCH, Deduction in respect of contribution made by the individual to Agnipath scheme

Tax Benefits to Agniveers

The contribution made by the Central Government shall be considered as salary under section 17 and the exemption would be provided under section 80CCH

Exemption under section 80CCH, is applicable for both tax regimes

Latest Amendments in 24Q Filing

Exemption under section 10(14) to be reported under Other special allowance

Deduction under section 80CCH by Employee and Central Government

TDS on Winnings from Online Games

30 % of Tds is calculated on Net winnings from the online game.

At the time of withdrawal or end of the Financial year

In case Net winnings are wholly in kind or partly in cash and kind, but the cash part is insufficient for TDS deduction.

The person is responsible for paying the tax amount before releasing the net winnings.

TDS on Cash withdrawal

Threshold limit	If Return filled	If Return Not filed for last 3 yrs
Rs. 20 Lakhs	NA	2%
Rs. 1 Crore	2%	5%

The threshold limit for corporate society are increased to 3cr from 1 cr

Addition of sections – 26Q filing

S. No	Section	Nature of Payment
1	194BA	Winnings from online games
2	194BA-P	Winnings from online games where net winnings in cash is not sufficient for TDS deduction
3	194N-C	Payment of certain amounts in cash to co-operative societies (filed ITR)
4	194N-FT	Payment of certain amounts in cash to co-operative societies (not filed ITR)

Addition of New columns - 26Q Filing

S. No	Column	Nature of Payment
1	419D	Payment of certain amounts in cash to co-operative societies is more than 3 cr (filed ITR)
2	419E	Payment of certain amounts in cash to co-operative societies is in excess of 20 L not more than 3 cr (not filed ITR)
3	419F	Payment of certain amounts in cash to co-operative societies is more than 3 cr (not filed ITR)

Addition of sections – 27Q filing

S. No	Section	Nature of Payment
1	194B	Winnings from lottery or crossword puzzle etc
2	194B-P	Winnings from lottery or crossword puzzle etc where net winnings in cash is not sufficient for TDS deduction
3	194BA	Winnings from online games
4	194BA-P	Winnings from online games where net winnings in cash is not sufficient for TDS deduction
5	194BB	Winnings from horse race

Addition of sections – 27Q filing

S. No	Section	Nature of Payment
6	194LC (2)(i) and (ia)	TDS on Income by a way of Interest from Indian company or Business Trust
7	194LC (2)(ib)	
8	194LC (2)(ic)	
9	194N-C	Payment of certain amounts in cash to co-operative societies (filed ITR)
10	194N-FT	Payment of certain amounts in cash to co-operative societies (not filed ITR)

Addition of New columns - 27Q Filing

S. No	Column	Nature of Payment
1	720D	Payment of certain amounts in cash to co-operative societies is more than 3 cr (filed ITR)
2	720E	Payment of certain amounts in cash to co-operative societies is in excess of 20 L not more than 3 cr (not filed ITR)
3	720F	Payment of certain amounts in cash to co-operative societies is more than 3 cr (not filed ITR)
4	719B	Whether deductee opting out of tax regime u/s 115BAC (1A)

Addition of sections – 27EQ filing

S. No	Section	Nature of Payment
1	206C-O	Collection at source for purchase of overseas tour program package
2	206C-P	Collection at source on remittance under LRS from educational loan taken from financial institution
3	206C-Q	Collection at source on remittance under LRS except for the purpose of education or medical treatment
4	206C-T	Collection at source on remittance under LRS except for the purpose of education or medical treatment and not covered under code P

Addition of New columns – 27EQ Filing

S. No	Column	Nature of Payment
1	666B	Whether resident or non resident of India
2	667B	Whether deductee opting out of tax regime u/s 115BAC (1A)

Q&A Session



THANK YOU



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