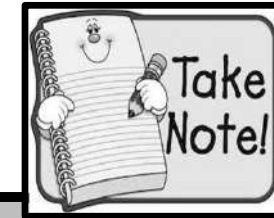


**CONVERGANCE & DIVERGENCE PROVISIONS &  
PROCEDURES OF TDS AND TCS CHANGES IN  
INCOME TAX ACT 2025  
VS  
INCOME TAX ACT 1961**

*CA Avinash Rawani*



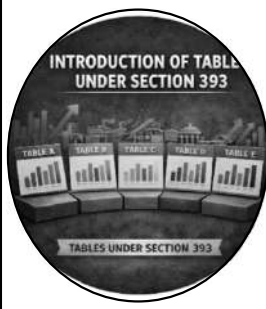
The views stated in the material and also discussed are purely of the compiler for the discussions. It should not be used for any legal interpretation. Any decision to be taken by the user of this information is to be taken after studying the requisite provisions of the respective Act and specific applications to particular client. Neither the compiler nor the Institute will be responsible for the same. If the said information is reproduced or published in the interest of the profession, would humbly request to inform to the Compiler and the Institute about the same, before publishing the same.

*CA Avinash Rawani*

# Main Changes on Introduction of Income Tax Act, 2025



Merging of Sections into a Single Section



Introduction of Tables



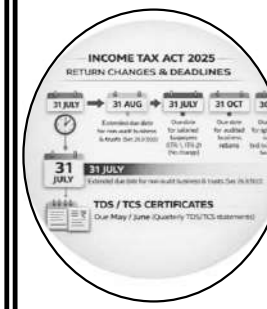
Concept of Tax Year



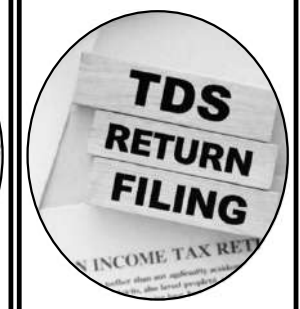
Effective from 1<sup>st</sup> April, 2026



Replacement of Forms



Changes in Returns/Issue of Certificates



Changes in the Filing System

## Criteria for Applicability for deduction of TDS

Assessee Type	Turnover/Audit Criteria	TDS Requirement
Individual/HUF	Only if turnover > ₹1 crore (business) or receipts > ₹50 lakh (profession) in preceding year → tax audit applies	Mandatory TDS on payments like contractor fees, professional fees, rent, commission, etc.
Firm/LLP	No turnover condition	Always required to deduct TDS on applicable payments
Company	No turnover condition	Always required to deduct TDS on applicable payments
Government/PSU	No turnover condition	Always required to deduct TDS on applicable payments
Non-Resident Payee	No turnover condition	TDS always required under Section 195, subject to DTAA rates

Other Payments	Threshold
Rent (individual/HUF)	Exceeding ₹50,000/month
Property purchase	Exceeding ₹50 lakh
Contractor/ Professional fees	Exceeding ₹50 lakh/year
Salary	Income above exemption

## Comparative Analysis — Changes in TDS Provisions

### TDS on Payment of Interest on Securities

#### **Old Law: (Section 193)**

- **Limited to** interest payable on debentures to a resident individual and HUF. Threshold of ₹ **10,000**,

#### **New Law: [Table 1 Sl no. 5(i) of 393(1)]**

- **Uniform Threshold** introduced at ₹**10,000**; Rate remains 10%.

### TDS on Payment of Dividend

#### **Old Law: (Section 194)**

- Threshold Limit of ₹ 10,000

#### **New Law: [Table 1 Sl no. 7 of 393(1) & Table 4 Sl No. 10 of Section 393(4) ]**

- No Change.

#### **Old Law: (Section 194DA)**

- TDS deduction @ 2% on  $\geq$  ₹1,00,000/-
- **New Law: [Table 1, Sl. no. 8(i) of 393(1)]**
- TDS deduction @2% on  $>$  ₹1,00,000/- (and not  $\geq$  ₹1,00,000/-)

TDS on Payment in respect of Life Insurance

## Comparative Analysis — Changes in TDS Provisions

### TDS on Payment of Interest other than Interest on Securities

#### **Old Law: (Section 194A)**

1. TDS provisions **shall not apply** for interest income credited or paid to—
  - Any Banking company under the Banking Regulation Act
  - Any co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank).
2. Two separate clauses-(ix) & (ixa)--Interest on Compensation Awarded by the Motor Accidents Claims Tribunal.
  - TDS on interest deducted on **actual payment**.

#### **New Law: [Table 4 Sl No. 7 of 393(4) ]**

- The exemption **is limited to 'any banking company'** only.
  - The expression 'any co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank)' **has been omitted**.
2. Two separate clauses-(ix) & (ixa)--Interest on Compensation Awarded by the Motor Accidents Claims Tribunal.
    - TDS on interest deducted on **actual payment**.

## Comparative Analysis — Changes in TDS Provisions

TDS on Payment under commission or brokerage

- **Old Law: (Section 194H)**
  - Definition 'Professional Services' **excluded 'Advertising'**
- **New Law: [Table 1, Sl. No. 1(ii) of 393(1) r.w.s 402(28)]**
  - The term 'Professional Services', **expands** the scope by expressly **including 'advertising'**

### Expanding the Definition of 'Rent'

**Old Law:  
(Section  
194-IB)**

- Definition of 'Rent' included any payment for the use of:
  - Any **Land** or
  - Any **Building** or
  - Both **Land & Building**

**New Law:  
[Table 1,  
Sl. No.  
2(ii) of  
393(1)]**

- Definition of 'Rent' **expands** to cover any payment for the use of **(either separately or together)**:
  - Any Land or
  - Any building **(including factory building)**, or **Land appurtenant to a building (including a factory building)**

## Comparative Analysis — Changes in TDS Provisions

Compensation on acquisition of certain immovable property.

### Old Law: (Section 194LA)

- TDS deduction @10% on **actual payment**

### New Law:

#### [Table 1, Sl. No. 3(iii) of 393(1)]

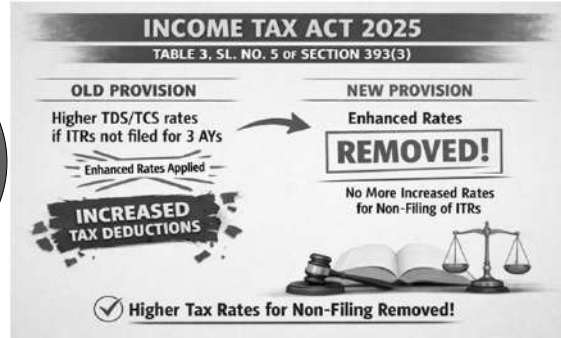
- TDS deduction @10% **earlier of:**
- **Amount credited to Payee's Account or**
- **Actual Payment made**



**TDS on Payments of Compensation on Acquisition of certain Immovable Property**

## Comparative Analysis — Changes in TDS Provisions

TDS on Cash Withdrawals

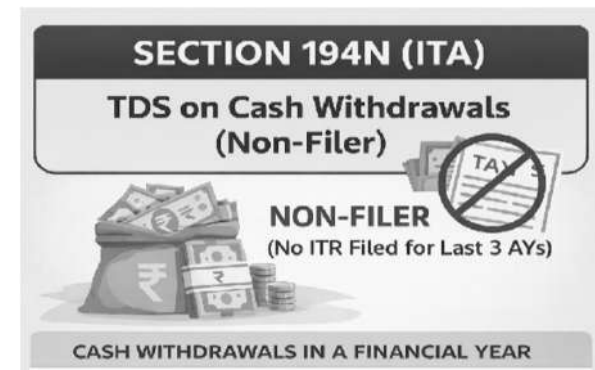


### New Law: [Table 3, Sl. No. 5 of 393(3)]

- Both these **enhanced** provisions have been **completely removed**.
- Same flat 2% TDS rate once withdrawals > ₹1 crore (or ₹3 crores for co-operative societies).

### Old Law: (Section 194N)

- Person ≠ ITRs for 3 AYs then following enhanced rates applies:
  - > ₹20 Lakhs but ≤ ₹1 Crore (₹3 Crores for Co-operative Societies) → TDS rate = 2%
  - > ₹1 Crore (₹3 Crores for Co-operative Societies) → TDS rate = 5%



# Comparative Analysis — Changes in TDS Provisions

## Certificate for Deduction of TDS at Lower Rates

Old Law: [Section 197(1)]



**Section 197 TDS**  
Certificate for Deduction at Lower Rate  
Previously allowed for limited TDS sections *only*

- ✓ § 192
- ✓ § 194
- ✓ § 194A
- ✓ § 194C
- ✓ § 194D
- ✓ § 195

Obtaining a Lower TDS certificate was available to **specific TDS sections**

Example: Section 192, 193, 194, 194A, 194C, 194H, 194-I, 194J etc.

Obtaining a Lower TDS certificate **now extended to all TDS provisions** under Chapter XIX-B

No restriction to specific sections

New Law: [Section 395(1)]

**Section 395 TDS**  
Lower TDS Certificate  
Now Extended to All TDS Provisions



Valid for All TDS Sections

§ 192 § 194 § 194A § 194C § 194D § 194H § 194-I § 194-J § 194-K § 194-L § 194-M § 194-N § 194-O § 194-P § 194-Q § 194-R § 194-S § 194-T § 194-U § 194-V § 194-W § 194-X § 194-Y § 194-Z § 195

## Compliance and Reporting

### PAN Provision Rationalisation

#### Old Law: (Section 206AA & 206CC)

- 2 parallel but separate provisions

#### New Law: [Section 397(2)]

- No separate Penal Sections
- Unified PAN compliance architecture

### TDS/TCS Correction Statement Time Limit

#### Old Law: [Section 200(3)]

- Provision allowed time limit for correction up to **6 years**

#### New Law: [Section 397(3)(f)]

- Time limit **reduced to 2 years**



Time Limit  
for TDS/TCS  
Correction  
Statements

**TRACES** Cuts  
Time Limit for  
**TDS/TCS**  
Corrections to  
**2 Years**

## Certificate by Tax Recovery Officer and Validity thereof

### Section 222 (IT Act 1961)

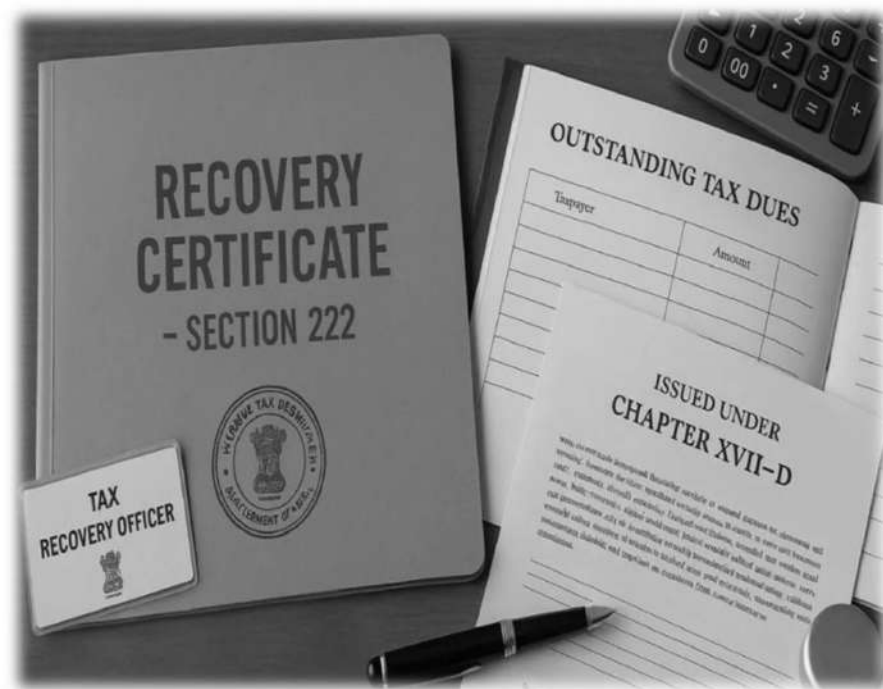
No express power for the TRO to cancel/ correct the certificate

Did not contain express bar within the section

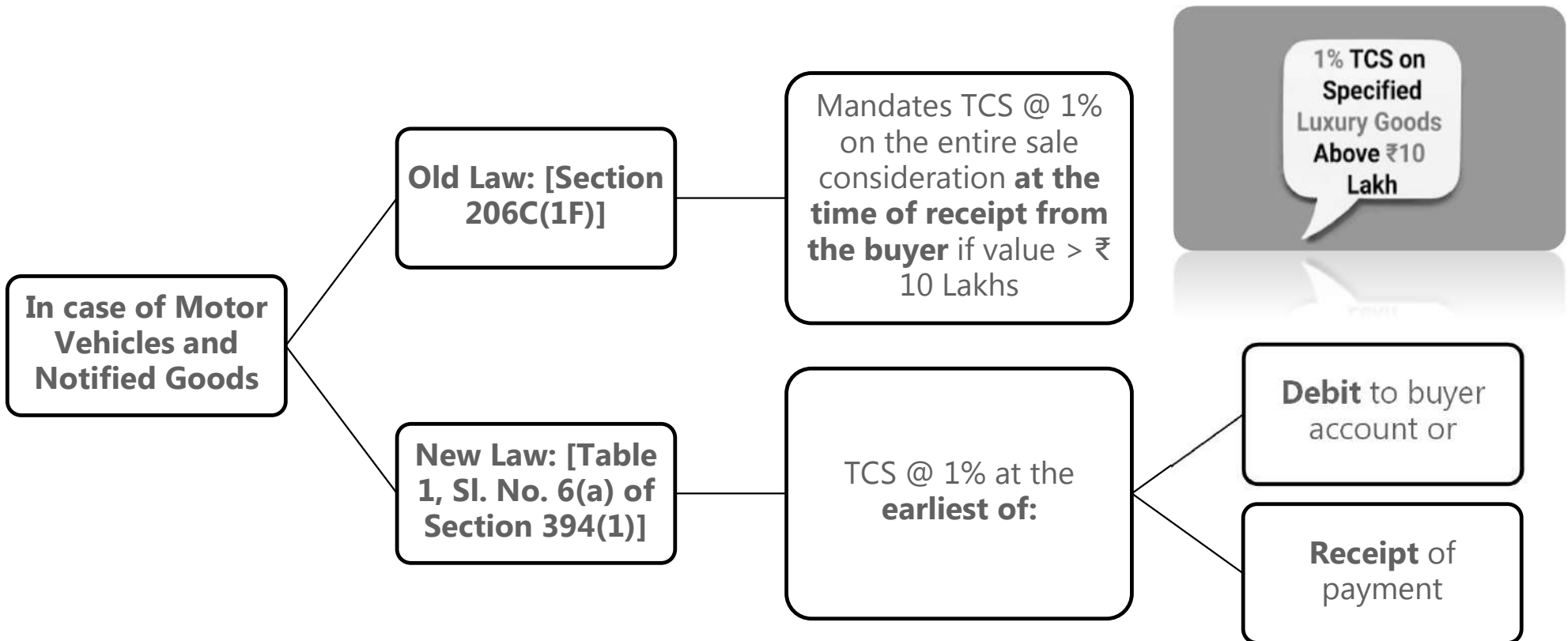
### Section 413 (IT Act 2025)

TRO **may cancel the certificate** if considered necessary & **may correct** clerical/ arithmetical errors [S. 413 (4)]

**Explicitly prohibits** challenges to certificate correctness at this stage [S. 413 (3)]



## Collection of Tax at Source (TCS)



# Processing of Statements of TDS & Other Statements

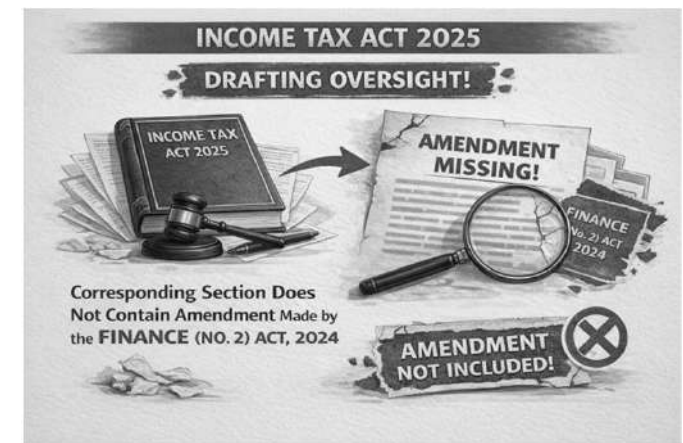
## No scheme-notifying provision for non-deductor statements

### Old Law: [Section 200A(3)]

- Finance (No. 2) Act, 2024 inserted this sub section (w.e.f. 01-04-2025), empowering the **Board** to frame a scheme for **processing statements** filed by **non-deductors** (e.g., Form 26QF)

### New Law: (Section 399)

- The corresponding Section **does not contain the amendment** made by the Finance (No. 2) Act, 2024, which appears to be a **drafting oversight**.



## Proposed Amendments by Finance Act 2026

No requirement of TAN for deducting TDS

- The Finance Act, 2026 **removes the need for TAN** when resident individuals or HUFs buy property **from NRIs**.
- Instead, tax deduction will be reported through a **PAN-based challan-cum-statement**.



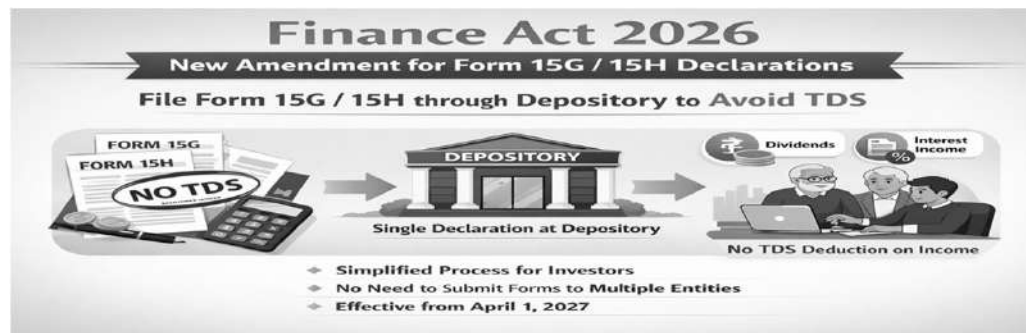
This amendment is applicable w.e.f 1<sup>st</sup> October 2026

# Amendments by Finance Act 2026

## Filing of Declaration of Non-TDS with a depository

**Centralized Filing:** Instead of providing Form 15G/15H to every company or issuer, investors can file one declaration with their depository (e.g., NSDL, CDSL).

**Depository Responsibility:** The depository will then share this information with the relevant persons responsible for paying income (such as companies paying dividends) to ensure no tax is deducted.



This amendment is applicable  
w.e.f. 1<sup>st</sup> April, 2027

## Amendments by Finance Act 2026

	<b>Removing ambiguity for TDS on supply of Manpower-Section 393(1) of the Income Tax Act 2025</b>	
--	---	--

The definition of "Work" in section 402(27) is amended to include supply of manpower to a person to work under his supervision, control or direction.

Accordingly TDS is to be deducted only as payment to contractors in such cases.



**{ This amendment is applicable w.e.f. 1<sup>st</sup> April, 2026 }**

## Foreign Tax Credits (FTC) [Old Rule 128 → New Rule 76]



### New Intimation Form for Disputed Taxes Form No. 45

Provides a dedicated digital pathway to notify the department once a foreign tax dispute is settled

Ensuring the credit is not lost due to procedural ambiguity

### Mandatory CA certification/ verification for FTC claims in Form No. 44 (earlier Form 67)

**All Companies**

**Others: FTC  $\geq$  ₹1,00,000**

Form No. 45 shall be certified as well if Form No. 44 is certified

## New Rule No 210 under Income Tax Rules 2026

Rule No.	Description
<b>210</b>	Condition for <b>no deduction of tax at source from income in respect of units of non-residents</b> referred to in <b>section 393(2)</b> (Table: Sl. No. 10) <b>r.w.s. 393(4)</b> (Table: Sl. No. 15) of the Income Tax Act, 2025

**Who it applies to**

**NRIs & Non-resident HUFs** holding units of the Unit Trust of India (UTI).

**Main condition**

No TDS on income from the units if the units were **bought** either from the UTI using **funds from a non-resident (External) bank account in India or by remitting foreign currency.**

**Legal requirement**

The purchase must **comply with** the Foreign Exchange Management Act (**FEMA**), **1999 & its rules.**

## Major Renumbering of Important Forms under Income Tax Act 2025

Lower/ NIL TDS Certificate

**Form 13**

**Form 128**

Salary TDS Certificate

**Form 16**

**Form 130**

Salary TDS Return-Residents

**Form 24Q**

**Form 138**

Other than Salary TDS Return-Residents

**Form 26Q**

**Form 140**

Challan cum Statement for transfer of Immovable property, Rent, etc.

**Form 26QB, 26QC, 26QD, 26QE**

**Form 141**

TDS Return for transfer of VDA

**Form 26QF**

**Form 142**

TCS Return

**Form 27EQ**

**Form 143**

TDS Return-Non-Residents

**Form 27Q**

**Form 144**

TAN Application

**Form 49B(2)**

**Form 135**

★ **Declarant's PAN** to be stated explicitly in declaration body ★

## Old Form 13 → Form 128

<b>FORM NO. 128</b>	<b>Application for issuance of certificate for lower/nil deduction of income-tax and lower collection of income-tax under section 395(1) and 395(3) of the Act</b>		
(To be filed electronically by Person seeking certificate for no deduction of tax or deduction or collection of tax at a lower rate)			
<b>PART - A</b>			
<b>Tax Year</b>	20__ - 20__		
1.	Details of Applicant		
(a)	Name	<i>(refer Note 1)</i>	
(b)	Address	<i>(refer Note 2)</i>	
(c)	Status	<i>(refer Note 3)</i>	
(d)	Permanent Account Number		
(e)	Residential Status	<i>(refer Note 4)</i>	
(f)	E-mail id		
(g)	Contact Number	Country Code	Number
<b>PART - B</b>			
2. Application filed by: (Radio Button)	<input type="radio"/>	Registered non-profit organization	
	<input type="radio"/>	Specified Entity referred to in section 263(9)(c)	
	<input type="radio"/>	Person carrying on business or profession	
	<input type="radio"/>	Persons other than the above	

Terminology updated

New category added – Government

Pre-Filling of Form to the extent possible

Removal of Jurisdictional AO details

Enables direct digital correspondence; crucial for NRIs

Explicit radio button

## Old Form 13 → New Form 128 (Contd.)

PART - C							
4. Details of existing tax liabilities (as on date of filing of application)							
Sl. No.	Liability under the Act	Tax Year	Amount (Advance tax/ Self-Assessment tax)	Amount payable but not paid, for which notice of demand under section 289 of the Act or under section 156 of the Income-tax Act, 1961, as the case may be, has been served	Amount payable but not paid in capacity of deductor or collector which has become due	Total liability	Remarks, if any
			(A)	(B)	(C)	(A) + (B) + (C)	
1.	Income-tax Act, 2025						
2.	Income-tax Act, 1961						

↑  
Two rows —  
one per Act  
(transitional  
provision)

New — dual-regime  
transitional column

↕  
New column added

## Old Form 13 → New Form 128 (Contd.)

5.	Particulars of income and other relevant details (for the relevant tax year)				
a)	Estimated total income (Attach computation)				
b)	Tax including interest payable on the Total income [referred to in 5(a)]				
c)	Income claimed to be exempt and not included in the Total income in 5(a). (Attach note giving reason for claiming such exemption)				
d)	Prepaid taxes (as per AIS):		(i) Advance Tax		
			(ii) Tax deducted at source		
			(iii) Tax collected at source		
e)	Details of return of income for four tax years preceding to the tax year:				
	<b>Tax Year</b>	<b>Acknowledgement Number</b>	<b>Date of filing of return of income</b>	<b>Taxable Income</b>	<b>Tax Liability</b>
	(i)				
	(ii)				
	(iii)				
	(iv)				
* In case return is not filed for any of the preceding four tax years, attach computation of income for such year.					

**Direct AIS linkage**



Words "any 4 previous years" replaced with "**Preceding 4 Tax years**" & additional reporting

## Old Form 13 → New Form 128 (Contd.)

<b>ANNEXURE - I</b>					
[Relevant for tax deduction at source]					
Please furnish following particulars in respect of the incomes/sum for which the certificate is sought					
Sl. No.	Section under which tax at source is liable for deduction	Table Sl. No. under which tax at source is liable for deduction	TAN/PAN of the Payer	Estimated amount of income/sum to be received during the tax year	Requested Rate of Deduction (refer Note 5)
(1)	(2)	(3)	(4)	(5)	(6)
<b>ANNEXURE - II</b>					
[Relevant for tax deduction at source]					
Please furnish following particulars in respect of the incomes/sum for which the certificate is sought (Please upload a note justifying the issue of certificate under sub-rule 9 of Rule 213)					
Sl. No.	Section under which tax at source is liable for deduction	Table Sl. No. under which tax at source is liable for deduction	Estimated amount of income/sum to be received during the tax year	Requested Rate of Deduction (refer Note 5)	
(1)	(2)	(3)	(4)	(5)	
<b>ANNEXURE - III</b>					
[Relevant for tax collection at source];					
Please furnish following particulars in respect of amount receivable for which the certificate is sought					
Sl. No.	Section under which tax at source is liable for collection	Table Sl. No. under which tax at source is liable for collection	TAN of the Seller/ Lessor/ Licensor	Estimated amount to be debited/paid during the tax year	Requested Rate of Collection
(1)	(2)	(3)	(4)	(5)	(6)

Table Sl. No. reference in all 3 Annexures (Aligns with the new Act – restructured tabular TDS/TCS schedule)

## Old Form 13 → New Draft Form 128 (Contd.)

PART – D	
Applicable in case of Registered Non-Profit Organisation or Specified entity referred to in rule 213	
Declaration	
I ..... having Permanent Account Number ..... do hereby declare that:	
<input type="checkbox"/>	the applicant is registered vide certificate/registration number .....
<input type="checkbox"/>	the applicant has furnished the returns of income for last four tax years for which such returns became due on or before the date on which the application under sub-rule (1) of Rule 213 is made.
<input type="checkbox"/>	the applicant being a specified entity referred in Rule 213 is approved for the purpose of exemption from Income-tax.
<input type="checkbox"/>	the incomes/sum referred to in this form are not includible in the total income of any other person under sections 96 to 99 of the Act

**New** - Registration/  
certificate number of  
NPO

PART – E	
Applicable in case of Person other than person mentioned in Part-D	
Declaration	
I ..... having Permanent Account Number ..... do hereby declare that:	
<input type="checkbox"/>	the applicant has furnished the returns of income for last four tax years for which such returns became due on or before the date on which the application under sub-rule (1) of Rule 213 is made.
<input type="checkbox"/>	the incomes/sum referred to in this form are not includible in the total income of any other person under sections 96 to 99 of the Act.

Single unified  
**declaration** under  
old Form 13 **split into**  
**Part D for NPOs &**  
**Specified Entities**  
and  
**Part E for All other**  
**persons**

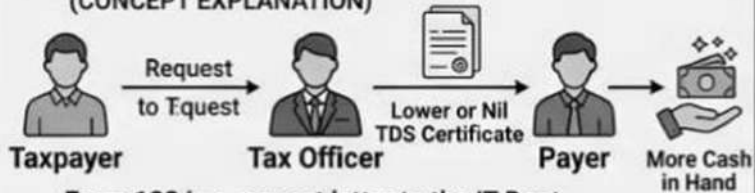
PART – F	
Verification	
I _____ (full name), having PAN _____ in the capacity of _____ (designation) solemnly declare that the information given above is true to the best of my knowledge and belief and no relevant information has been concealed.	
Signature	
Date	
Address	

**New — Standalone Verification Block**  
(separate signatory with PAN,  
designation, and address)

# Form 128 (ITA-2025)-Form 13 (ITA-1961)

## 1 WHAT IS FORM 128?

(CONCEPT EXPLANATION)



Form 128 is a request letter to the IT Dept when TDS/TCS > Actual Tax liability

## 2 TECHNICAL PROVISIONS

(RULE/SECTION)

**RULE 213**  
of IT Rules, 2026

**SECTION 395**  
of IT Act, 2025

**SEC 395(1)**  
Lower/Nil TDS  
Applications

**SEC 395(3)**  
Lower TCS rate  
applications

## 4 PRACTICAL EXAMPLES



**Simple Case**  
(High Deductions)

- A senior citizen
- Rental Income: ₹15L
- Standard TDS: ₹1.5L
- Actual Tax: ₹40k

**With Form 128:**

- TDS at ~2.7%
- Save: ₹1.1L upfront cash



**Business Case**  
(Startup/Low Margin)

- A tech startup
- Turnover: ₹5Cr
- Loss-making phase
- Clients deduct 10% TDS (Professional Fees)
- Blocks ₹50L Working Capital

**With Form 128:**

- Nil TDS Certificate
- Use ₹50L for Operations

## 3 STEP-BY-STEP WORKING



**1. Estimate**  
Income & Tax



**2. Calculate**  
TDS/TCS  
expected



**3. Identify Gap:**  
If TDS > Tax



**4. Online Filing:**  
Submit Form 128  
on portal with  
documents



**5. AO Assessment:**  
Assessing Officer  
reviews



**6. Issuance of Certificate:**  
Get revised  
rate certificate



**7. Handover:**  
Give certificate  
to Deductor

## 5 COMMON MISTAKES



**1 Late Application**  
Applying mid-year after  
major deductions

**2 Unrealistic Projections**  
Estimates differing widely from  
past performance without valid  
justification



**3 Non-Compliance**  
Outstanding tax demands,  
unfiled past returns - likely  
rejected

**Application can be  
made for all Sections**

# List of Documents required for Form 128

Form 128 aims for a "paperless" experience, Income Proofs



## Projections/Certified Data

- Self-certified Computation of Estimated Income for the current financial year.
- Projected Financial Statements (Balance Sheet and P&L) if you have business income.
- Details of any Exempt Income not included in the main computation.
- Justify why nil/lower deduction is requested (e.g., exemptions, carried forward losses, deductions under Chapter VI-A).



## Historical Data:

- ITR Acknowledgment numbers/Financials Data/Income Tax deducted & Deposited details for the preceding 4 years.
- Form 26AS and Annual Information Statement (AIS) to reconcile past TDS/TCS.




## Transaction-Specific Documents

- For Property Sales: Draft Sale Agreement, Original Purchase Deed, and proof of "Cost of Improvement" (bills/agreements).
- For NRIs: Copy of Passport and Tax Residency Certificate (TRC), Others;
- Copy of PAN Card (linked with Aadhaar) of the Purchaser (if Applicable)
- Registration or Exemption certificates (for Trusts/NPOs under Section 11 or 12).

## TRACES PORTAL CHANGE: MASTER LDC REPLACED BY CHILD CERTIFICATES

EFFECTIVE FROM APRIL 2026 | IMPORTANT FOR ALL PAYERS & PAYEES

 The TRACES portal has been revamped and there's **one important change** every payee and payer must know.

### FOR PAYEES

- The lower deduction certificate received by the payee is to **be utilized** for generating appropriate **child certificate(s)** through the TRACES portal ([www.tdscpc.gov.in](http://www.tdscpc.gov.in)).
- Facility to generate child certificates shall be available from **01st April 2026**.
- Such child certificate(s) have to be provided by the payee to the relevant payer(s).



### FOR PAYERS

- The payer shall be utilizing the details of such certificate for tax deductions and furnishing its number in the relevant TDS statement.
- The **Child Certificate Number** will **ONLY be a valid** certificate number for furnishing in the respective TDS statement.
- The **master Certificate Number** received by the payee will **NOT be valid** for furnishing in the respective TDS statement.

### IMPORTANT CHANGE ON TRACES

Common LDC can only be validated by entering **PAN of Payee, F.Y. and Child Certificate Number** instead of Common LDC number as used to be done till F.Y. 2025-26.



### WHAT IS A CHILD CERTIFICATE?

- It is issued by the taxpayer based on the certificate issued by the Assessing Officer, by entering the details of the specific deductors who are required to deduct tax on transaction or income to be paid or credited to the taxpayer.
- Multiple child certificates can be issued subject to the limit mentioned in the main certificate issued by the AO.
- The deductors should then deduct the tax as per the child certificate provided by the taxpayer and quote the details of the same in the TDS statement.

### HOW TO GENERATE CHILD CERTIFICATES?

The applicant is required to generate child certificates in case of application filed in Annexure-II of Form No. 128.

Path to Generate Child Certificate:



## Child Certificate

It is issued by the taxpayer based on the certificate issued by the Assessing Officer, by entering the details of the specific Deductors who are required to deduct tax on transaction or income to be paid or credited to the taxpayer.

## Multiple Child Certificate

Multiple child certificates can be issued subject to the limit mentioned in the main certificate issued by the AO.

Deductors should then deduct the tax as per the child certificate provided by the taxpayer and quote the details of the same in the TDS statement while reporting the transaction.

(Form No. 128  
Annexure II)

Traces Login

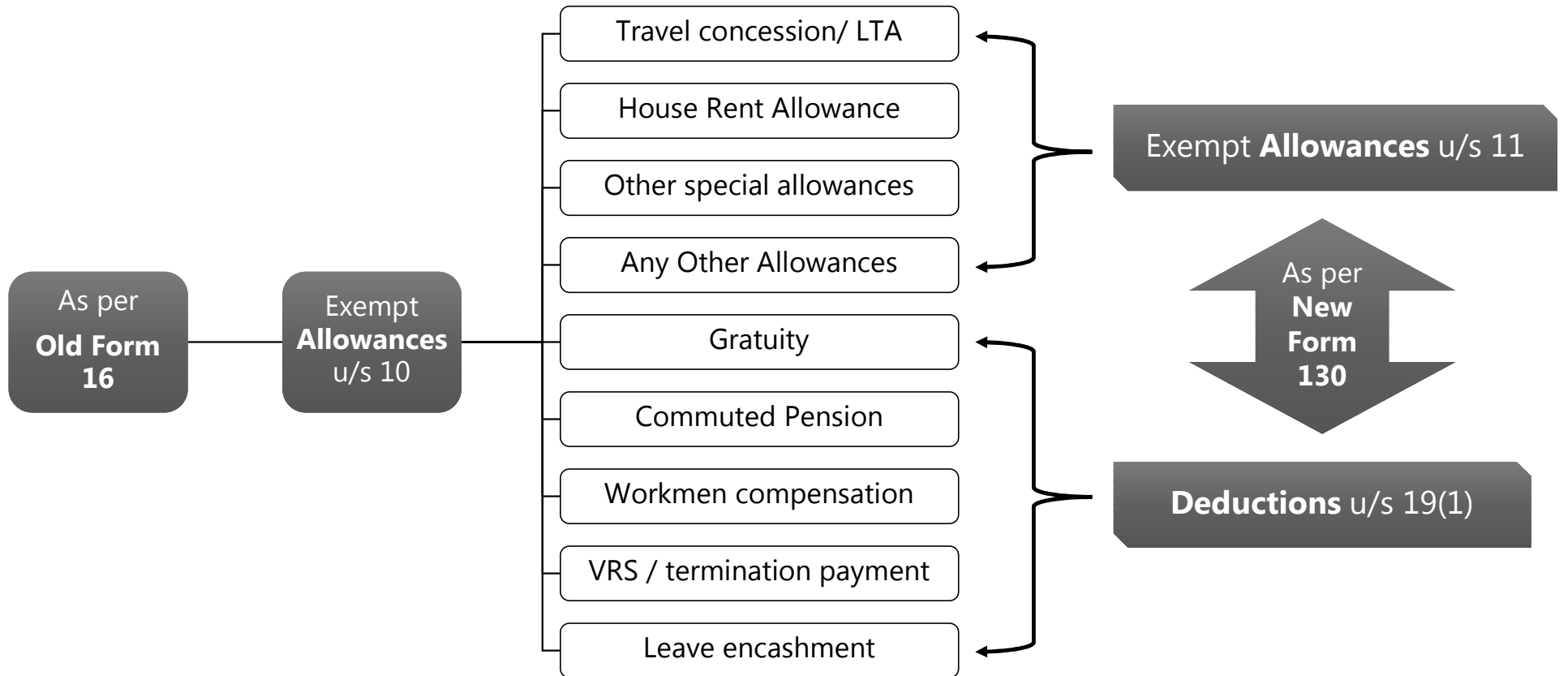
Dash Board

Service Generate & Download Child  
Certificate

CA Avinash Rawani

# Old Form 16 → Form 130

## Structural changes in Old Part B Annexure I → New Part C Annexure I



## Old Form 24Q → New Form 138

### PART B: Details of tax Deducted at source and paid to the credit of the Central Government

**Tax +  
Surcharge  
+  
H & E Cess**

1.	Sl. No.	Total tax (refer Note 4)	Total interest	Total fee (refer Note 5)	Total penalty/others	Total amount deposited as per challan / Total amount adjusted through Book Adjustment (B + C + D+E) (refer Note 6)	Mode of payment of tax (by way of challan/by way of book adjustment (refer Note 7))	BSR code/ Receipt Number of Form No. 137 (refer Note 8)	Date on which amount deposited through challan/ Date of transfer voucher (dd/mm/yyyy) (refer Note 8)	Challan Serial No. / DDO Serial No. of Form No. 137 (refer Note 8)	Minor Head of Challan (refer Note 9)
A	B	C	D	E	F	G	H	I	J	K	
<p>2. Details of salary paid and tax deducted thereon—</p> <p>(i) enclose Annexure-I along with each statement having details of relevant quarter in the case of employee and specified senior citizen.</p> <p>(ii) enclose Annexure -II along with the last statement i.e. for the quarter ending 31<sup>st</sup> March having details for the whole tax year in the case of employee.</p> <p>(iii) enclose Annexure -III along with the last statement i.e. for the quarter ending 31<sup>st</sup> March having details for the whole tax year in the case of specified senior citizen.</p>											

Challan/  
Transfer  
Voucher  
(CIN/BIN)  
particulars,  
i.e. H, I, J =  
TIN 2.0/  
TRACES  
portal



# Old Form 24Q → New Form 138 (Contd.)

## ANNEXURE II

ANNEXURE II: Details of salary paid or credited during the Tax year ..... and net tax payable (under section 392)

Sl. No.	Permanent Account Number of the employee	Name of the employee	Whether opting out from taxation u/s 202(1) [Yes / No]	Deductee type (Senior Citizen/Super Senior Citizen/ Others)	Date from which employed with current employer in the current Tax Year (dd/mm/yyyy)	Date up to which employed with current employer in the current Tax Year (dd/mm/yyyy)	(a) Gross Salary as per section 16	(b) Value of perquisites under section 17 (as per Form No. 123, wherever applicable)	(c) Profits in lieu of salary under section 18 (as per Form No. 123, wherever applicable)	Total amount of gross salary received from current employer (refer Note 1) (H+I+J)
A	B	C	D	E	F	G	H	I	J	K

**2 Separate columns** "from date" & "Up to date" for period of employment

Form 39 Acknowledgment Number	Income (Arrears/ Advance paid etc.) on which relief under section 157 is claimed	Income-tax relief under section 157, when salary, etc. is paid in arrear or advance	Net tax liability [(BE + BG + BH) – (BF + BK)]	Total amount of tax deducted at source by the current employer for the whole year [aggregate of the amount in columns (J) of Annexure I for all the quarters in respect of each employee]	Reported amount of Tax deducted at source by other employer(s) [income in respect of which included in computing total taxable income in column (L)]	Amount reported as per section 392(4), of other tax deducted at source or collected at source other than reported in column BM & BN [income in respect of which included in computing total taxable income in column (AC)]	Total amount of tax deducted or collected at source for the whole tax year [BM + BN+ BO]	Short fall in tax deduction (+) or excess tax deduction (-) [BL-BP]
BI	BJ	BK	BL	BM	BN	BO	BP	BQ

**New column added** (Arrear relief claim – Old Form 10E)


## Old Form 24Q → New Form 138 (Contd.)

**ANNEXURE III: Details of pension and interest income paid or credited to the specified senior citizen during the tax year .....  
and net tax payable {under section 393(1) [Table: SL No. 8(iii)]}**

Sl. No.	Permanent Account Number of the specified senior citizen	Name of the specified senior citizen	Deductee type (refer Note 1)	Whether Opting out of taxation u/s 202 [Yes / No]	Gross Pension as per provisions contained in section 16(b)	Deduction under section 19		
						Tax on employment u/s 19(1) [Table: SL No. 1]	Standard deduction u/s 19(1) [Table: SL No. 2]	Total [G + H]
A	B	C	D	E	F	G	H	I

Income under the head "Salaries" [F - I]	Interest Income under the other sources paid by the specified bank	Gross Total Income [J + K]	Deduction in respect of life insurance premia, contributions to provident fund, certain pension funds, notified pension schemes etc. under section 123		Deductions in respect of amount paid / deposited to notified pension scheme under section 124(3)		Deduction in respect of health insurance premia under section 126		Deduction in respect of interest on loan taken for higher education under section 129	
			Gross amount	Deductible amount	Gross amount	Deductible amount	Gross amount	Deductible amount	Gross amount	Deductible amount
J	K	L	M	N	O	P	Q	R	S	T


  
 LIC & Pension Fund columns merged  
 (Old deductions u/s 80C & 80CCC merged)

**Note 1:**

For specified senior citizen is **below the age of 80 years** mention '1' and for **80 years & above** mention '2'

# Old Form 24Q → New Form 138

FORM NO. 138

Quarterly statement of deduction of tax under section 397(3)(b) of the Act in respect of salary paid to employee under section 392, or income of specified senior citizen under section 393(1) [Table: Sl. No. 8(iii)], for the quarter ended .....  
(June/September/December/March) ..... (Tax Year)]

PART A			
Row No.	Particulars of the deductor		
1.	Type of deductor	<input type="checkbox"/> Government <input type="checkbox"/> Non-Government	
2.	Name	<i>(refer Note 1)</i>	
3.	Address	<i>(refer Note 2)</i>	
4.	Permanent Account Number	<i>(refer Note 3)</i>	
5.	Tax Deduction and Collection Account number		
6.	Email id		
7.	Contact number	Country Code	Number
8.	Tax year		
9.	Has the statement been filed earlier for this quarter	Yes/No	
10.	If answer to (9) is yes, then Return Receipt Number of original statement		
11.	If Government deductor/payer, please mention AIN of PAO/DTO/CDDO		
Particulars of the person responsible for deduction of tax			
12.	Name	<i>(refer Note 1)</i>	
13.	Permanent Account Number		
14.	Address	<i>(refer Note 2)</i>	
15.	Email id		
16.	Contact number	Country Code	Number

Unified terminology – single 'Tax Year' concept

Electronic contact details of the Deductor

Token no. renamed as Return Receipt No. for clarity

New field -enables digital identity verification

# Old Form 16 → New Draft Form 130

## FORM NO. 130

Certificate under section 395 of the Act for tax deducted at source on salary paid to an employee under section 392 or pension or interest income of specified senior citizen under section 393(1) [Table: Sl. No. 8(iii)]

### PART A

Certificate No.		Last updated on	
<b>Details of the employer/specified bank</b>			
1.	Name	<i>(refer Note 1)</i>	
2.	Address	<i>(refer Note 2)</i>	
3.	Permanent Account Number		
4.	Tax Deduction and Collection Account Number		
5.	Email id		
6.	Contact number	Country Code	Number
7.	Tax year		
8.	Period with the employer	<i>(dd/mm/yyyy)</i> to <i>(dd/mm/yyyy)</i>	
<b>Details of the employee/ specified senior citizen</b>			
9.	Name	<i>(refer Note 1)</i>	
10.	Address	<i>(refer Note 2)</i>	
11.	Permanent Account Number		

### PART B

Summary of amount paid/credited and tax deducted at source thereon in respect of the employee					
Quarter (s)	Receipt Numbers of original quarterly statements of TDS under section 397(3)(b)	Amount paid/credited	Rate of deduction of tax	Amount of tax deducted	Amount of tax deposited/adjusted
Total					

Pre-Filling of Form (enables TRACES/AIS-based pre-filling of fields)

Unified terminology – single 'Tax Year' concept

Electronic contact details of the Employer for digital notices and e-communication under faceless regime

Removal of CIT(TDS) jurisdiction address reflecting the faceless administration model

Tax deducted/ deposited = Tax + Surcharge + H & E Cess

# Old Form 26Q → New Form 140

FORM NO. 140

Quarterly statement of deduction of tax under section 397(3)(b) of the Act in respect of payments made other than salary for the quarter ended.....(June/September/December/March) ..... (Tax Year)]

Part A			
Row No..	Particulars of the Deductor		
1.	Type of deductor	<ul style="list-style-type: none"> <li>• Government</li> <li>• Non-Government</li> </ul>	
2.	Name	(refer Note 1)	
3.	Address	(refer Note 2)	
4.	Permanent Account Number	(refer Note 3)	
5.	Tax Deduction and Collection Account Number		
6.	E-mail id		
7.	Contact Number	Country Code	Number
8.	Tax year		
9.	Has the statement been filed earlier for this quarter	(Yes/No)	
10.	If answer to Row No. (9) is "Yes", then Return Receipt Number of original statement		
11.	If Government Deductor, please mention AIN of PAO/DTO/CDDO		
<b>Particulars of the person responsible for deduction of tax (applicable in case of non-individual deductor)</b>			
12.	Name	(refer Note 1)	
13.	Address	(refer Note 2)	
14.	Permanent Account Number		
15.	Email id		
16.	Contact number	Country Code	Number

Unified terminology – single 'Tax Year' concept

Electronic contact details of the Deductor

Token no. renamed as Return Receipt No. for clarity

New field -enables digital identity verification

## Old Form 26Q → New Draft Form 140 (Contd.)

### PART B: Details of tax Deducted at source and paid to the credit of the Central Government

Part B										
1. Details of the tax deducted and paid to the credit of the Central Government:										
Sl. No.	Total tax deducted <i>(refer Note 4)</i>	Total interest	Total fee <i>(refer Note 5)</i>	Total penalty/others	Total amount deposited as per challan / Total amount adjusted through Book Adjustment (B+C+D+E) <i>(refer Note 6)</i>	Mode of payment of tax (by way of challan/by way of book adjustment) <i>(refer Note 7)</i>	BSR code/ Receipt Number of Form No. 137 <i>(refer Note 8)</i>	Date on which amount deposited through challan/ Date of transfer voucher (dd/mm/yyyy) <i>(refer Note 8)</i>	Challan Serial No. / DDO Serial No. of Form No. 137 <i>(refer Note 8)</i>	Minor Head of Challan <i>(refer Note 9)</i>
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)

**Tax +  
Surcharge +  
H & E Cess**

Challan/ Transfer Voucher (CIN/BIN) particulars,  
i.e. H, I, J = TIN 2.0/ TRACES portal

## Old Form 26Q → New Form 140 (Contd.)

### ANNEXURE : Deductee-wise break up of TDS

Total tax deducted (refer Note 14)	Total tax deposited	Rate at which tax deducted	Date of deduction (dd/mm/ yyyy)	Reason for non-deduction / Lower deduction / Higher deduction / Threshold / Transporter etc. (refer Notes 1 to 13)	Certificate number of certificate issued under section 395 for non-deduction /lower deduction	Unique Identification Number of Form No. 121 submitted by the deductee
(J)	(K)	(L)	(M)	(N)	(O)	(P)

**New** column added  
(Old Form 15G & 15H)

# Old Forms 26QB, 26QC, 26QD & 26QE → New Draft Form 141

## FORM NO. 141

Challan-cum-statement of deduction of tax under section 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)]

### Part A: Particulars of the deductor

Acknowledgement Number:		Date of E-filing:	Tax year of transaction:	Month of deduction: mm/yyyy
1.	Name	(refer Note 1)		
2.	Address	(refer Note 2)		
3.	Permanent Account Number			
4.	Email id			
5.	Contact number	Country Code	Number	
6.	Nature of Transaction (select one)	<input type="radio"/> Payment of rent <input type="radio"/> Transfer of immovable property <input type="radio"/> Payment by way of commission/brokerage or fee for professional services or payment in pursuance of a contract <input type="radio"/> Transfer of virtual digital asset		

**New** — month-level granularity in header

**Unified single form** replacing 4 separate forms, with nature-of-transaction radio selector

# Old Forms 26QB, 26QC, 26QD & 26QE → New Form 141

## Old Form 26QC → New Schedule A

Schedule A: TDS on rent paid by Individual/HUF under section 393(1) [Table: Sl.No. 2(i)]										
1. (i)	Address of property rented				<i>(refer Note 2)</i>					
(ii)	<b>Type of property</b> <i>(select one)</i>				<input type="checkbox"/> Land or <input type="checkbox"/> Building or <input type="checkbox"/> Land and building both					
(iii)	Details in respect of all tenant/lessee/payer:									
	Sl. No.	Permanent Account Number		Name		Proportion of rent to be paid/credited by the tenant/lessee/payer (%)				
	(i)			<i>(refer Note 1)</i>						
	(ii)			<i>(refer Note 1)</i>						
	.....					Total: 100%				
(iv)	Details of all deductees (landlord/lessor/payee): <i>(refer Note 4)</i>									
	Sl. No.	Permanent Account Number	Name	Contact Number	Email id	Proportion of rent to be received by the landlord/lessor/payee (%)				
	(i)		<i>(refer Note 1)</i>							
	(ii)		<i>(refer Note 1)</i>							
	.....					Total: 100%				
2.	Period of tenancy during tax year <i>(in months)</i>									
3.	Is the income tax being deducted due to the end of the tax year or due to end of the tenancy? <i>(select one)</i>				<i>(End of the tax year / End of the tenancy)</i>					
4.	Total amount of rent credited/paid during the tax year									
5.	Total amount of rent credited/paid in last month									
6.	Deductee wise TDS details:									
	in respect of deductee mentioned in column (B)									
	Sl. No.	Permanent Account Number of deductee	Name of deductee	Amount on which tax is liable to be deducted in respect of deductee mentioned in column (B) (In Rs.)	Amount of tax deducted at source in respect of deductee mentioned in column (B)	Date of credit/payment (dd/mm/yyyy)	Certificate Number u/s 393(1) of the Act, if applicable	Rate at which tax deducted <i>(refer Note 3)</i>	Date of deduction	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
	(i)		<i>(refer Note 1)</i>							
	(ii)		<i>(refer Note 1)</i>							
	.....									
			Total:	Total:						

# Old Forms 26QB, 26QC, 26QD & 26QE → New Draft Form 141

Schedule B: TDS on transfer of immovable property under section 393(1) [Table: Sl. No. 3(i)]						
Particulars						
1. (i)	Address of property transferred/to be transferred <i>(refer Note 2)</i>					
(ii)	Type of immovable property <i>(select one)</i>	<input type="radio"/> Land <b>(other than agricultural land)</b> <input type="radio"/> Building or part of a building				
(iii)	Details of all buyers					
	Sl. No.	Permanent Account Number	Name	Proportion of total sale consideration to be paid/credited by the buyer (%)		
	(i)		<i>(refer Note 1)</i>			
	(ii)		<i>(refer Note 1)</i>			
	...			Total: 100%		
(iv)	Details of all deductees (sellers): <i>(refer Note 4)</i>					
	Sl. No.	Permanent Account Number	Name	Contact Number	Email id	Proportion of total sale consideration to be received/debited by the seller (%)
	(i)		<i>(refer Note 1)</i>			

← Old Form 26QB → New Schedule B

2.	Date of agreement	<i>(dd/mm/yyyy)</i>										
3.	Date of registration <i>(if available)</i>	<i>(dd/mm/yyyy)</i>										
4.	Total Stamp Duty Value of the property											
5.	Total sale consideration in respect of the property											
6.	Is the payment being made in lumpsum or instalments?	<i>(Lumpsum / Instalments)</i>										
	(a) If in instalments, whether first, subsequent or last instalment <i>(select one)</i>	<input type="radio"/> First instalment <input type="radio"/> Subsequent instalment <input type="radio"/> Last instalment										
	<b>(b) In case of subsequent or last instalment, please mention the previous acknowledgement number</b>											
	<b>(c) In case of last instalment, total consideration paid/credited (including payment in this instalment)</b>											
7.	Transaction Details											
	in respect of deductee mentioned in column (B)											
	Sl. No.	PAN of the deductee	Name of the deductee	Proportionate amount of stamp duty value	Total amount paid/credited in previous instalments, if any	Amount paid/credited in present transaction	Amount on which tax is liable to be deducted	Amount of tax deducted at source	Date of credit / payment	Certificate Number u/s 395(1) of the Act, if applicable	Rate at which tax deducted at source <i>(refer Note 3)</i>	Date of deduction
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)

# Old Forms 26QB, 26QC, 26QD & 26QE → New Form 141

**Schedule C: TDS on payment made by Individual / HUF to Contractor / Professionals u/s. 393(1) [Table Sl. No. 6(ii)]**

Transaction Details												
Sl. No.	Permanent Account Number of the deductee	Name of the Deductee	Nature of payment (work in pursuance of a contract or commission/brokerage or fee for professional services) (select one)	Date of contract / agreement	Aggregate of payments/credit during the period from 1 <sup>st</sup> April to the end of the month in which the payment has been made/credited	Amount paid/credited	Date of payment/credit	Amount on which tax is liable to be deducted at source	Certificate Number u/s 395(1) of the Act, if applicable	Rate at which tax deducted at source (refer Note 3)	Amount of tax deducted at source	Date of deduction
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(i)												
(ii)												
..												

**Old Form 26QD  
→ New  
Schedule C**



**Schedule D: TDS on payment made by Individual/HUF on transfer of Virtual Digital Asset (VDA) under section 393(1) [Table Sl. No. 8(vi)]**

Transaction Details																	
Type of transaction (select one) (refer Note 5)										<ul style="list-style-type: none"> <li>Cash</li> <li>In kind/ In exchange of another VDA</li> </ul>							
Sl. No.	Permanent Account Number of the deductee	Name of the Deductee	Date of Transfer of VDA	Total value of Consideration	Amount paid/credited (in Rs.)			Date of payment /credit	Details of tax deposited, where payment made is in kind or in exchange of VDA				Amount on which tax is liable to be deducted	Certificate Number u/s 395(1) of the Act, if applicable	Rate at which tax to be deducted (refer Note 3)	Amount of tax deducted at source	Date of deduction
					in cash	in kind	In exchange of another VDA		Amount of tax paid	BSR code	Date on which tax deposited	Challan serial number					
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
(i)																	
(ii)																	
..																	

**Old Form 26QE  
→ New  
Schedule D**



# Old Form 26QF → New Draft Form 142

## TDS on transfer of Virtual Digital Assets (VDA)

FORM NO. 142

Quarterly statement of tax deposited in relation to transfer of virtual digital asset under section 393(1) [ Table: S. No. 8(vi)] to be furnished by an Exchange for the quarter ending ..... June/September/December/March of Tax Year

Row No.	Part A: Particulars of the Exchange		
1.	Name	(refer Note 1)	
2.	Address	(refer Note 2)	
3.	Permanent Account Number		
4.	Email id		
5.	Contact number	Country Code	Number
6.	Tax year		

Unified terminology – single 'Tax Year' concept

Electronic contact details of the exchange to enable digital correspondence

Part B: Details of transactions													
(i) Details of tax paid with respect of transactions referred to in Rule 219(2):													
Sl. No.	Name of buyer/ broker	Address of buyer/ broker	Permanent Account Number of buyer/ broker	Name of the virtual digital asset (VDA)	Date of transaction	Value of VDA bought by buyer/ broker	Number of VDA bought by buyer/ broker	Total consideration	1% of total consideration	Date of tax payment	Challan details		
											BSR code of bank branch	Amount paid	Challan serial number
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)=(G)* *(H)	(J)	(K)	(L)	(M)	(N)
1.													
2.													
(ii) Details of transactions on which tax was not deducted in accordance with the guidelines issued under section 400(2)													
Sl. No.	Name of broker	Address of broker	Permanent Account Number of broker	Tax Deduction and Collection Account Number of broker	Name of the virtual digital asset (VDA)	Date of transaction	Value of VDA bought by buyer	Number of VDA bought by buyer	Total consideration paid/ credited				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)=(H)*(I)				
1.													
2.													

**New field – Name of VDA**  
(enables asset-specific audit trails)

# Old Form 27EQ → New Form 143

Quarterly statement of collection of tax at source under Section 397(3)(b) of the Act for the quarter ended.....  
(June/September/December/March) ..... (Tax Year)

Row No.	Part A: Particulars of the Collector		
1.	Type of Collector	<ul style="list-style-type: none"> <li>• Government</li> <li>• Non-Government</li> </ul>	
2.	Name	<i>(refer Note 1)</i>	
3.	Address	<i>(refer Note 2)</i>	
4.	Permanent Account Number	<i>(refer Note 3)</i>	
5.	Tax Deduction and Collection Account Number		
6.	E-mail id		
7.	Contact Number	Country Code	Number
8.	Tax year		
9.	Has the statement been filed earlier for this quarter	<i>Yes/No</i>	
10.	If answer to Row No. (9) is "Yes", then Return Receipt Number of original statement		
11.	If collector is Government Collector, please mention AIN of PAO/DTO/CDDO code		
<b>Particulars of the person responsible for collection of tax</b>			
12.	Name	<i>(refer Note 1)</i>	
13.	Address	<i>(refer Note 2)</i>	
14.	Permanent Account Number		
15.	E-mail id		
16.	Contact Number	Country Code	Number

Unified terminology – single 'Tax Year' concept

Electronic contact details of the Deductor

Token no. renamed as Return Receipt No. for clarity

New field -enables digital identity verification

## Old Form 27EQ → New Draft Form 143 (Contd.)

### PART B: Details of tax collected at source and paid to the credit of the Central Government

#### Part B

1. Details of the tax collected and paid to the credit of the Central Government:											
Sl. No.	Total Tax Collected <i>(refer Note 4)</i>	Total interest	Total fee <i>(refer Note 5)</i>	Total Penalty / Others	Total amount deposited as per challan / Total amount adjusted through Book Adjustment (B+C+D+E) <i>(refer Note 6)</i>	Mode of payment of tax (by way of challan/by way of book adjustment <i>(refer Note 7)</i>	BSR code/ Receipt Number of Form No. 137 <i>(refer Note 8)</i>	Challan Serial No. / DDO Serial No. of Form No. 137 <i>(refer Note 8)</i>	Date on which amount deposited through challan/ Date of transfer voucher (dd/mm/yyyy) <i>(refer Note 8)</i>	Minor Head of Challan <i>(refer Note 9)</i>	
A	B	C	D	E	F	G	H	I	J	K	

↑  
Tax collected +  
Surcharge +  
H & E Cess

↑  
Challan/ Transfer Voucher (CIN/BIN) particulars,  
i.e. H, I, J = TIN 2.0/ TRACES portal

## Old Form 27Q → New Form 144

Quarterly statement of deduction of tax under section 397(3)(b) of the Act in respect of payments other than salary made to non-residents for quarter ended.....(June/September/December/March) ..... (Tax Year)]

**Part A**

Row No.	Particulars of the Deductor		
1.	Type of deductor	<ul style="list-style-type: none"> <li>• Government</li> <li>• Non-Government</li> </ul>	
2.	Name	<i>(refer Note 1)</i>	
3.	Address	<i>(refer Note 2)</i>	
4.	Permanent Account Number	<i>(refer Note 3)</i>	
5.	Tax Deduction and Collection Account Number		
6.	E-mail id		
7.	Contact Number	Country Code	Number
8.	Tax year		
9.	Has the statement been filed earlier for this quarter		(Yes/No)
10.	If answer to Sl. No (9) is "Yes", then Return Receipt Number of original statement		
11.	If Government deductor, please mention AIN of PAO/DTO/CDDO		
<b>Particulars of the person responsible for deduction of tax (applicable in case of non-individual deductor)</b>			
12.	Name	<i>(refer Note 1)</i>	
13.	Address	<i>(refer Note 2)</i>	
14.	Permanent Account Number		
15.	Email id		
16.	Contact number	Country Code	Number

Unified terminology – single 'Tax Year' concept

Electronic contact details of the Deductor

Token no. renamed as Return Receipt No. for clarity

New field -enables digital identity verification

## Old Form 27Q → New Draft Form 144 (Contd.)

### PART B: Details of tax Deducted at source and paid to the credit of the Central Government

#### Part B

1. Details of the tax deducted and paid to the credit of the Central Government:										
Sl. No.	Total tax deducted <i>(refer Note 4)</i>	Total interest	Total fee <i>(refer Note 5)</i>	Total penalty/others	Total amount deposited as per challan / Total amount adjusted through Book Adjustment (B+C+D+E) <i>(refer Note 6)</i>	Mode of payment of tax (by way of challan/by way of book adjustment) <i>(refer Note 7)</i>	BSR code/ Receipt Number of Form No. 137 <i>(refer Note 8)</i>	Challan Serial No. / DDO Serial No. of Form No. 137 <i>(refer Note 8)</i>	Date on which amount deposited through challan/ Date of transfer voucher <i>(dd/mm/yyyy)</i> <i>(refer Note 8)</i>	Minor Head of Challan <i>(refer Note 9)</i>
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)

Tax +  
Surcharge +  
H & E Cess

Challan/ Transfer Voucher (CIN/BIN) particulars,  
i.e. H, I, J = TIN 2.0/ TRACES portal

## Old Form 27Q → New Form 144 (Contd.)

### ANNEXURE : Deductee Wise break up of TDS

Amount paid or credited	Whether the amount paid or credited is grossed up as per section 393(10) (Yes/No)	Amount of cash withdrawal in excess of Rs. 1 crore as referred to in section 393(3) [Table: Sl. No. 5] (in case of person other than co-operative society)	Amount of cash withdrawal in excess of Rs. 3 Crore for cases covered by section 393(3) [Table: Sl. No. 5] (in case of co-operative societies)	Total tax deducted (refer Note 12)	Total tax deposited	Date of deduction (dd/mm/yyyy)	Rate at which tax deducted	Whether rate of TDS is as per IT Act (a) or DTAA (b)	Unique acknowledgment number of the corresponding Form No. 145, if applicable	Reason for non-deduction /lower deduction/higher deduction (refer Notes 1 to 9)	Certificate number(s) of the certificate under section 395(1)/395(2) issued for non-deduction /lower deduction
(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(Z)	(AA)	(AB)

Lower threshold for return defaulters removed & new form updated accordingly

New column added  
(Certificate Number of old Form 13)

# TIME LIMIT FOR ASSESSEE-IN-DEFAULT

Old Section 201(3)  
New Section 397

No Order to  
NRI after the  
expiry of

7 years from  
end FY of TDS  
Payment

L  
A  
T  
E  
R

2 years from  
end of FY of  
Correction  
Statement  
delivered



Old Section 206C  
New Section  
398

No Order  
after the  
expiry of

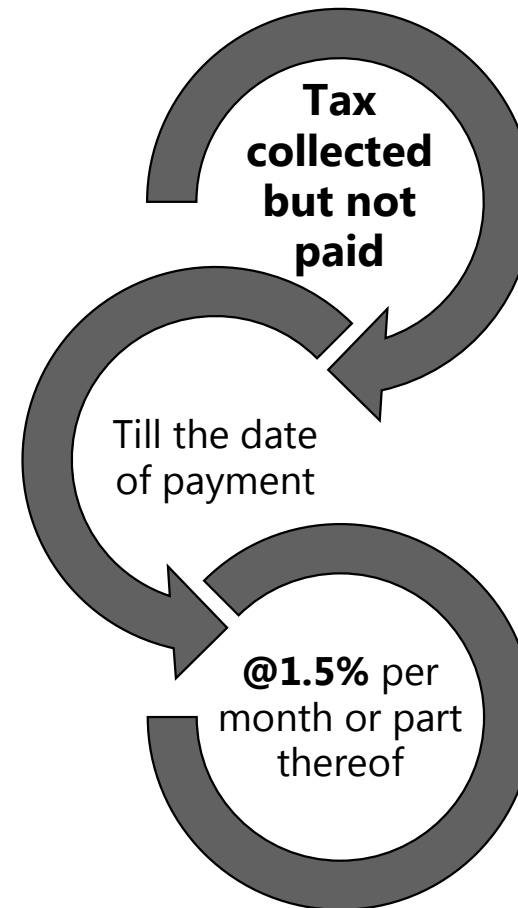
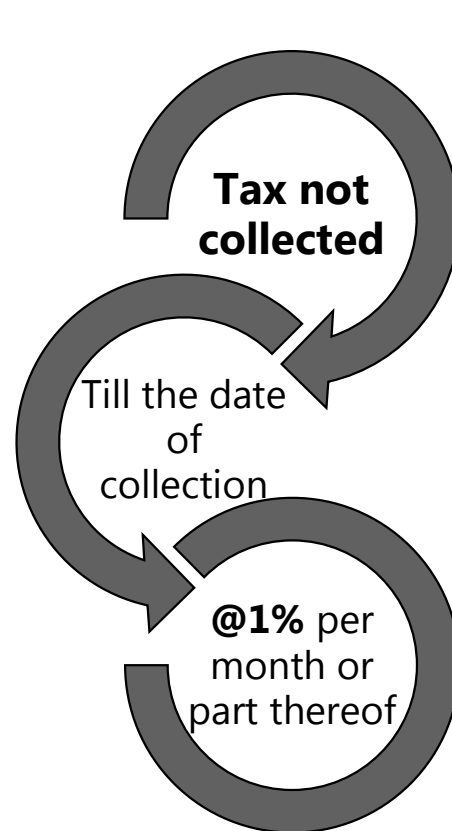
6 years from  
end FY of  
TCS was  
collectible

L  
A  
T  
E  
R

2 years from  
end of FY of  
Correction  
Statement  
delivered

# S. 398: INTEREST ON FAILURE TO COLLECT & PAY TAX

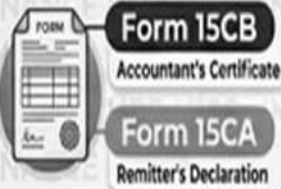
## Old Section 201(1A)



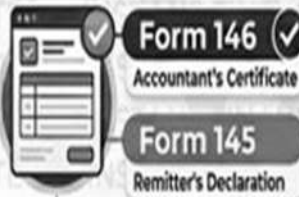
## FOREIGN REMITTANCE ALERT: KEY UPDATES effective 1<sup>st</sup> APRIL 2026.

Income Tax Act, 2025 | Income Tax Rules, 2026.

**UNDER IT ACT 1961**  
(Before 31<sup>st</sup> March 2026)



**UNDER IT ACT 2025**  
(On or After 1<sup>st</sup> April 2026)



Effective Date:  
1<sup>st</sup> APRIL 2026.

Governed by Section 393,  
IT Act 2025 (Earlier Sec 195).

### ⚠ PRACTICAL IMPLEMENTATION CHALLENGES

- **MANDATORY CA AUTHORIZATION:** Clients must authorize CA on portal specifically for Form 146 **FIRST**.
- **NO BULK FILING:** Only Individual Online Filing is currently active.
- **SUBMISSION DEADLINE:** Must be filed **BEFORE** remittance.

### 📄 CRITICAL COMPLIANCE FACTS

- **THRESHOLD:** Aggregate ₹5 LAKH PER TAX YEAR (Unchanged).
- **EDITING:** Form 146 **CANNOT BE EDITED** after submission.
- **WITHDRAWAL:** Allowed within 7 **DAYS** (conditions apply).
- **PENALTY:** Up to ₹10,000 **PER CERTIFICATE** for wrong certification (Sec 463).

### 📢 IMMEDIATE ACTION REQUIRED

- ✓ **CLIENT ACTION:** Start getting clients to complete 'Add CA' authorization on the portal now.



**Recipient Information**  
**Earlier**

**Mandatory TIN** (Tax Identification Number) if the recipient lacks an Indian PAN

**Classification:** Filers to choose from **65 specific categories** for the payment, for easier tracking than earlier

**Digital Integration:**  
Form 146 made "system-friendly," Address and name fields separated into distinct boxes to facilitate easier automated processing.

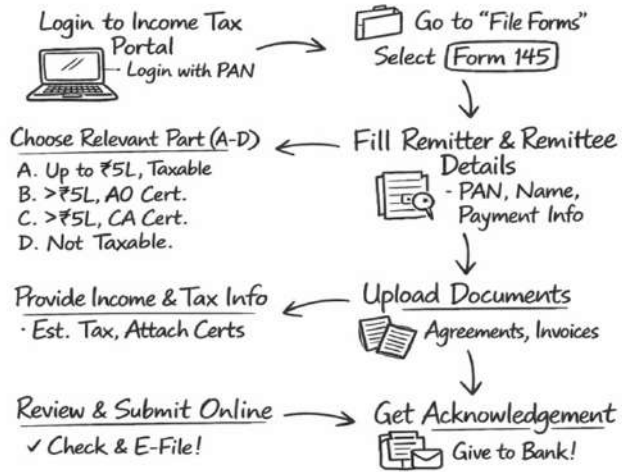
**Consumption Rule**  
**1 Form 145 = 1 Form 146**

## Additional Changes

FORM IDENTITY	FORM 15CA.	FORM 145.
Classification of Remittance	Relied primarily on broad RBI Purpose Codes, which often allowed for vague categorisation.	Introduces a mandatory drop-down list of 65 specific categories (e.g., Software Licenses, Cloud Charges, Crypto Winnings) to prevent misclassification.
Non-Resident (Remittee) ID	Often filed with minimal or generic identification data.	Mandatory fields for Foreign Tax Identification Number (TIN), country code with contact number, and email ID.
Banking Integration	AD Bank details were part of the general remittance section.	Includes a dedicated section for the Authorized Dealer (AD) Bank, including their ITDREIN (Reporting Entity ID Number) for tighter tax-bank integration.
Reporting Purpose	Primarily a self-declaration tool for remitters.	A core compliance measure for the IT Department to track potentially taxable overseas payments via structured data capture.

# Form 145 & Form 146-Filing Procedure

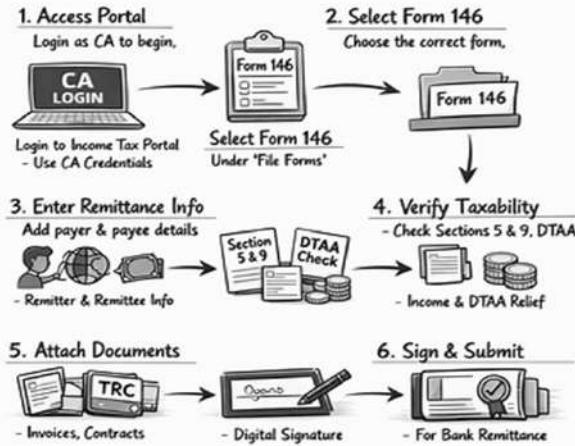
## Filing Process for Form 145 (India, 2025-26)



### Key Compliance Notes:

- ✓ For All Foreign Payments
- ✓ Separate Form Each Time
- ✓ Penalty for Non-Filing

## Form 146 Filing Process (India, 2025-26)

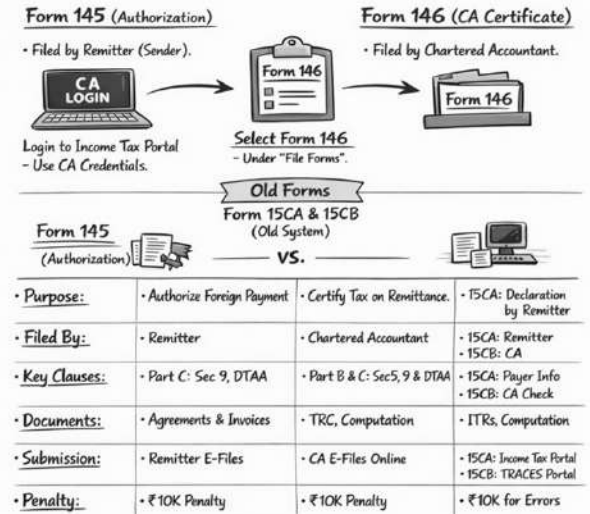


### Key Compliance Tips:

- ✓ Event-Based Filing  
"One form per transfer"
- ✓ Correct TDS Rates  
"Check DTAA rates"
- ✓ File Separately  
"Don't batch filings"
- ✓ Penalty for Errors  
"Avoid ₹ 271J Fine"

## Form 145 vs. Form 146

Comparison with Form 15CA & 15CB



### Key Compliance Tips:

- ✓ Remitter Files
- ✓ Correct TDS Rates  
"Check DTAA rates"
- ✓ File Separately  
"Don't batch filings"
- ✓ Penalty for Errors  
"Avoid ₹ 271J Fine"


## Consequences of Non-Compliance

Default	ITA 1961 Section	ITA 2025 Section	Consequence	Quantum
Failure to deduct/collect at rates prescribed	201(1)/206C(6)	398(1)	Demand	Amount of TDS/TCS
	201(1)(A)/206C(7)	398(3)	Interest	@1% per month or part thereof on TDS/TCS amount
	271C/271CA	448/449	Penalty	Equal to Amount of TDS/ TCS
Failure/Delay in depositing TDS/ TCS	201(1)	398(1)	Demand	Amount of TDS not deposited
	201(1)(A)/206C(7)	398(3)	Interest	@1.5% per month or part thereof on TDS/TCS amount
	276B/276BB	476/477	Prosecution	Rigorous imprisonment from 3 months to 7 years + Fine
Failure/Delay in furnishing TDS/ TCS statements	234E	427	Late Fees	₹200/- per day of delay capped at amount of TDS/TCS
	271H	461	Penalty	₹10,000/- to ₹1 lakh
	272A(2)	465(2)	Penalty	₹500/- per day of delay capped at amount of TDS/TCS

## Consequences of Non-Compliance

Default	ITA 1961 Section	ITA 2025 Section	Consequence	Quantum
Failure to answer questions, sign statements, furnish information, returns or statements, allow inspections, etc.	272A(1)	465(1)	Penalty	₹10,000/- per default
Failure to issue TDS/ TCS Certificates	272A(2)	465(2)	Penalty	₹500/- per day of delay capped at amount of TDS/ TCS
Failure to mention PAN of deductee in TDS Statements/ Certificates	272B	467	Penalty	₹10,000/-
Failure to apply for/ quote TAN	272BB	468	Penalty	₹10,000/-

**Cost of Non-Compliance with TDS and TCS**



**Penalty for Non-Compliance of TDS Provisions**

- In case, Tax is not Deducted at Source
- Delay in Deduction of TDS and Section 201 (1A)
- Delay in Payment of TDS and Section 201 (1A)
- Penalty and Imprisonment under Section 271C and 276B
- Non-furnishing of Certificate of TDS
- Penalty for delay in filing Quarterly Return of TDS

**Note: Apart from the above, the failure to deduct /pay also causes Disallowance of expenditure u/s 35(b)(i) [earlier 40(a)(ia)]**

*CA Avinash Rawani*

## GIST OF SOME IMPORTANT FAQ ON TRANSITION

Default	Quantum
Fundamental rule for determining which Act governs TDS obligations during the transition	If the earlier event occurs on or before 31st March, 2026, the ITA, 1961 will be applicable. The event occurs on or after 1st April, 2026, the provisions of the ITA, 2025 shall be applicable. Example: Advance payment made in March, 2026. However, it is credited in books in April, 2026. In this situation, provisions of the Income-tax Act, 1961 will be applicable and TDS must be deducted in March, 2026.
If a Deductor erroneously deducts TDS quoting the old Act section number for a payment made after 01.04.2026	Although the substantive provisions—such as the applicable rate and threshold—remain unchanged, citing the old section number (for example, Section 194C instead of Section 393(1) [Table: Sl. No. 6(i)]) may lead to processing errors at the time of filing the TDS return. In such cases, the deductor may be required to submit a correction statement to rectify the section reference.

# DEPOSITING TDS UNDER NEW PORTAL

Dashboard > e-Pay Tax -2025

Select Applicable Income Tax Act

Income-tax Act, 2025  
TDS/TCS payments for Tax Year 2026-27 and onwards.

Income-tax Act, 1961  
TDS/TCS payments for Assessment Year 2026-27 or earlier AYs.

Go To Dashboard



## New Payment

TAN : ██████████

Type of Payment (Minor Head)

TDS/TCS Payable by Taxpayer (200)

Tax Applicable (Major Head) \*

- Other than Company Deductee(s) – Income Tax (Other than Companies) (0021)
- Company Deductee(s) – Corporation Tax (0020)

Please select the residential status of the deductee(s) \*

- Resident Deductee(s)
- Non-Resident Deductee(s)

### Note

1. This challan is applicable for Tax Year: 2026-27 onwards; for earlier years ( upto AY 2026-27), use earlier version of Challan No. 281.
2. Select the appropriate deductee type (Corporate or Non-Corporate); separate challans are required for each type Please use separate challan for each deductee type.
3. Select the correct status of the deductees (Resident or Non-Resident). Separate challans must be prepared based on the deductees' status Please use separate challan for Resident and Non-resident deductees.
4. Multiple section codes can be selected for the chosen deductee type in a single challan, subject to a maximum of 20 codes. If more than 20 codes are required, an additional challan must be filed.
5. Verify the deductee's PAN status using the "Verify PAN Status" option available under Quick Links on the e-Filing portal. If the PAN is inoperative, higher TCS/TDS rates will apply as per section 397(2).

< Back

Save As Draft

Continue >

# DEPOSITING TDS UNDER NEW PORTAL

Type of Payment (Minor Head) TDS/TCS Payable by Taxpayer (200)	Tax Applicable (Major Head) Income Tax (Other than Companies) (0021)	Residential Status Resident Deductee(s)
<b>TDS/TCS Section-Wise Payment Details</b>		
Details of payments Description <input type="text" value="Select or start typing..."/>		
Total (a + b + c) In words		₹ 0 Rupees Zero only
<input type="button" value="Cancel"/> <input type="button" value="Add"/>		
<b>Details of Other payments</b>		
(d) Interest	<input type="text" value="0"/>	₹
(e) Late Fee under section 427	<input type="text" value="0"/>	₹
(f) Penalty	<input type="text" value="0"/>	₹
(g) Others	<input type="text" value="0"/>	₹
Total (d + e + f + g) In words		₹ 0 Rupees Zero only
<input type="button" value="Back"/> <input type="button" value="Save As Draft"/> <input type="button" value="Continue &gt;"/>		

Type of Payment (Minor Head) TDS/TCS Payable by Taxpayer (200)	Tax Applicable (Major Head) Income Tax (Other than Companies) (0021)	Residential Status Resident Deductee(s)	No. of section code selected
<b>New Payment</b> TAN: [REDACTED]			
(a) Tax: ₹ [REDACTED]			
(b) Surcharge: ₹ 0			
(c) Education Cess: ₹ 0			
(d) Interest: ₹ 0			
(e) Late Fee under section 427: ₹ 0			
(f) Penalty: ₹ 0			
(g) Others: ₹ 0			
Total (a+b+c+d+e+f+g) In words			[REDACTED]
<input type="button" value="Back"/> <input type="button" value="Save As Draft"/> <input type="button" value="Continue &gt;"/>			

## GIST OF SOME IMPORTANT FAQ ON TRANSITION

### Due dates for depositing TDS with the Government during the transition year under the Act

Period	Due Date of Deposit	Governed by Act
January 2026 to February 2026	7th of next month	IT Act, 1961 (Rule 30)
March 2026	30th April, 2026	IT Act, 1961 (Rule 30)
April 2026 onwards	7th of next month	IT Act, 2025 (Rule 218 of Income-tax Rules, 2026)

For Challan-cum-TDS statement (Form 26QB /26QC /26QD/ 26QE under the old Act), the due date of depositing TDS is 30 days from end of month in which TDS was made. These due dates for depositing TDS remain same in the new Act.

**For transactions where the event of credit or payment occurred on or before 31st March, 2026, these Forms under the old Act continue to apply.**

## How Payments of Taxes to be made-Transition Year?

### *TDS timing rules for cross-year transactions*

<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>TDS to be deposited</b>
Expense booked	Payment made	As per Income Tax Act 1961
Payment made	Expense booked	As per Income Tax Act 1961
Expense booked, Payment made	N/A	As per Income Tax Act 1961
N/A	Expense booked, Payment made	As per Income Tax Act 2025
Partial advance booked in 2025-26	Full invoice raised in FY 2026-27	TDS on advance in FY 2025-26 as per I-Tax Act 1961; TDS on balance in FY 2026-27 as per I-Tax Act, 2025

## GIST OF SOME IMPORTANT FAQ ON TRANSITION

### TDS RETURNS FILING IN FINANCIAL YEAR 2026-27

Quarter	Period of TDS	Governed By	Form	Due Date of filing	Issue of TDS Certificate
Q4 of FY 2025-26	Jan–Mar 2026	IT Act, 1961	24Q/26Q/27Q/27EQ	31st May, 2026	Form 16A/16B
Q1 of FY 2026-27	Apr–Jun 2026	IT Act, 2025	New Forms under IT Rules, 2026 Salary TDS Return in Form 138 (in place of Form 24Q under the old Act) Non-Salary TDS Return in Form 140 (in place of Form 26Q under the old Act)	31st July, 2026	Form 130 etc

**e-TDS/TCS return preparation utility (RPU) will support both old and new formats**

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION		NATURE	THRESHOLD (₹)		TDS RATE (%)	
				OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
192	392		Income from Salaries	Applicable Tax Slab	No Change	Applicable Slab Rates	No Change
192A	392		EPF Withdrawal	50,000/-	No Change	Individual/HUF – 10	No Change
193	Section 393(1)	Sr. no. 5(i) T-1	Payment of Interest on Securities	10,000/-	Uniform threshold 10,000/-	10	No Change
194	393(1) & Section 393(4)	Sl. no. 7 of T-1 Sl. No. 10 of T-4	Payment of Dividend	10,000/-	NIL	10	No Change
194H	section 393(1)	Sl. no. 1(ii) T-1	Commission / Brokerage	20,000/-	No Change	2	No Change

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194A	Table 1 Sl. No. 5(ii) of section 393(1)	<u>Payment of Interest other than Interest on Securities:</u> -Other cases -Banks/Co-op Soc./PO -Senior Citizen	10,000/- 50,000/- 1,00,000/-	No Change	10	No Change
194B	Table 3, Sl. No. 1 of Section 393(3)	Winning from Lotteries or crossword puzzle, etc.	10,000/-	No Change	30	No Change
194BA	Table 3, Sl. No. 2 of Section 393(3)	Winnings from online games	NIL	No Change	30	No Change
194BB	Table 3, Sl. No. 3 of Section 393(3)	Winnings from Horse Race	10,000/-	No Change	30	No Change

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION		NATURE	THRESHOLD (₹)		TDS RATE (%)	
				OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194C	Sect 393(1)	Sl. No. 6(i) Table 1	Payments to Contractors	Single Transaction- 30,000/- Aggregate- 1,00,000/- p.a.	No Change	Individual/ HUF-1 Others-2	No Change
194D	Sec 393(1)	Table 1, Sl. No. 1(i)	Insurance Commission	20,000/-	No Change	Individual/ HUF-2 Others-10	No Change
194DA	Sec 393(1)	Table 1, Sl. no. 8(i)	Payment in respect of Life Insurance	$\geq$ ₹1,00,000/-	$>$ ₹1,00,000/- (and not $\geq$ ₹1,00,000/-)	2	No Change
194E	Sec 393(2)	Table 2 Sl. No. 1 of	Payment to Non-Resident Sportsmen or Sports Association	NIL	No Change	20	No Change

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194G	Table 3, Sl. No. 4 of Section 393(3)	Commission – Lottery Tickets	20,000/-	No Change	2	No Change
194-I	Table 1, Sl. no. 2 (i) & (ii) of section 393(1)	<u>Rent:</u> -Plant/Machinery/Equipment -Land and Building	50,000/- per month	No Change	2 10	No Change
194-IA	Table 1 Sl. No. 3(i) of section 393(1)	Transfer of certain immovable property other than agriculture land	50,00,000/-	No Change	1	No Change
194-IB	Table 1, Sl. No. 2(ii) of 393(1)	Payment of rent by certain Individuals/ HUF	50,000/- per month	No Change	2	No Change
194-IC	Table 1, Sl. no. 3(ii) of section 393(1)	Payment under Specified agreement	NIL	No Change	10	No Change

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194J	Table 1, Sl. no. 6 (iii) of section 393(1)	<u>Fees for Professional/ Technical Services:</u> -Fees for Technical Services -Fees for Professional Services or royalty etc.	50,000/- per month	No Change	2 10	No Change
194K	Table 1 Sl. No. 4(i) of section 393(1)	Payment of Dividend by Mutual Funds	10,000/-	No Change	10	No Change
194LA	Table 1, Sl. No. 3(iii) of 393(1)	Payment in Case of Compulsory Acquisition of Immovable Property	5,00,000/-	No Change	10	No Change
194LB	Table 2, Sl. no. 5 of section 393(2)	Income by way of interest from infrastructure debt fund (non-resident)	NIL	No Change	5	No Change

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194M	Table 1, Sl. no. 6 (ii) of section 393(1)	Payment of certain sums by certain individuals or Hindu undivided family	50,00,000/-	No Change	2	No Change
194N	Table 3, Sl. No. 5 of 393(3)	<u>TDS on Cash Withdrawal:</u> -For Regular Filers  -For Return Defaulters	>1 Cr. (3 Cr. for Co-op Soc.)  >20 Lakhs but ≤ 1 Cr (3 Cr. for Co-op Soc.) & > 1Cr (3 Cr. for Co-op Soc.)	No Change for regular filers.  For return defaulters provision removed.	2  5	No Change for regular filers.  For return defaulters provision removed.

## TDS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
194-O	Table 1 Sl. No. 8(v) of section 393(1)	TDS on e-commerce participants	5,00,000/-	No Change	0.1	No Change
194P	Table 1, Sl. No. 8(iii) of 393(1)	TDS in case of Specified Senior Citizen	NIL	No Change	Rates in Force	No Change
194Q	Table 1, Sl. no. 8(ii) of section 393(1)	TDS on Purchase of Goods	50,00,000/-	No Change	0.1	No Change
194R	Table 1, Sl. no. 8 (iv) of section 393(1)	TDS in case any benefit or perquisite	20,000/-	No Change	10	No Change
194T	Table 3, Sl. No. 7 of 393(3)	TDS on salary, remuneration, commission, bonus or interest to a partner of firm	20,000/-	No Change	10	No Change

## TCS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
206C(1)	[Table Sl.No.4 section 394(1)] 1, of	Sale of Scrap	NIL threshold	No Change	1	2
206C(1)	[Table No.2 section 394(1)] 1, Sl. of	Tendu Leaves	NIL threshold	No Change	5	2
206C(1)	[Table Sl.No.5 section 394(1)] 1, of	Minerals(Coal/Lignite/iron/ore)	NIL threshold	No Change	1	2

## TCS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
206C(1)	[Table 1, Sl.No.3 of section 394(1)]	Timber (Forest Lease)	NIL threshold	No Change	2	No Change
206C(1)	[Table 1, Sl. No. 1 of section 394(1)]	Sale of alcoholic liquor for human consumption.	NIL threshold	No Change	1	2
206C(1G)(b)	[Table 1, Sl. No. 8 of Section 394(1)]	Overseas Tour package	1. Up to 10 Lakhs 2. >10Lakh	No threshold	5 20	2 (No threshold)
206C(1G)(a)	[Table 1, Sl. No. 7 of Section 394(1)]	<u>LRS:</u> -education or medical treatment. -Others	> 7 lakh	> 10 Lakhs	5 20	2 20

## TCS Amendments at a Glance

ITA 1961 SECTION	ITA 2025 SECTION	NATURE	THRESHOLD (₹)		TDS RATE (%)	
			OLD	NEW (FROM FY 26-27)	OLD	NEW (FROM FY 26-27)
206C(1F)	Section 394(1) Table 1, Sr. No. 6	Motor Vehicle Sale	> 10 lakhs	No Change	1	No Change
206C(1G)(a)	[Table 1, Sl. No. 7(a) of Section 394(1)]	Education/ Medical (own funds)	> ₹7 lakh	No Change	5	No Change

## Comparative Table — Changes in Rates

### Amendments by Finance Act 2026 (w.e.f. 1<sup>st</sup> April 2026)

Nature of services	Current rate (Sec. 206C)	New proposed rate (2026) (Sec. 394)
<b>Sales of alcoholic liquor for human consumption</b>	1%	2%
<b>Sale of tendu leaves</b>	5%	2%
<b>Sale of scrap</b>	1%	2%
<b>Sale of minerals, being coal or lignite or iron ore</b>	1%	2%
<b>Remittance under the liberalised remittance scheme of an amount or aggregate of the amount exceeding ₹ 10 Lakhs</b>	a. 5% for purposes of education or medical treatment. b. 20% for purposes other than education or medical treatment	a. 2% for purposes of education or medical treatment. b. 20% for purposes other than education or medical treatment
<b>Sale of Overseas tour programme package</b>	a. 5% up to ₹ 10 Lakhs b. 20% above ₹ 10 Lakhs	Flat 2%, threshold removed



Compiled by

*Team Rawani & Co.*

Chartered Accountants

801, Flyedge, At the Junction of Kora Kendra Flyover

& S V Road, Borivali West,

Mumbai 400092

E-mail: [avinash@carawani.com](mailto:avinash@carawani.com)

*CA Avinash Rawani*