

**Section 194P** 

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Section 194Q



### Section 194P- TDS in case of Specified Senior Citizen (Applicable from 01.04.2021)

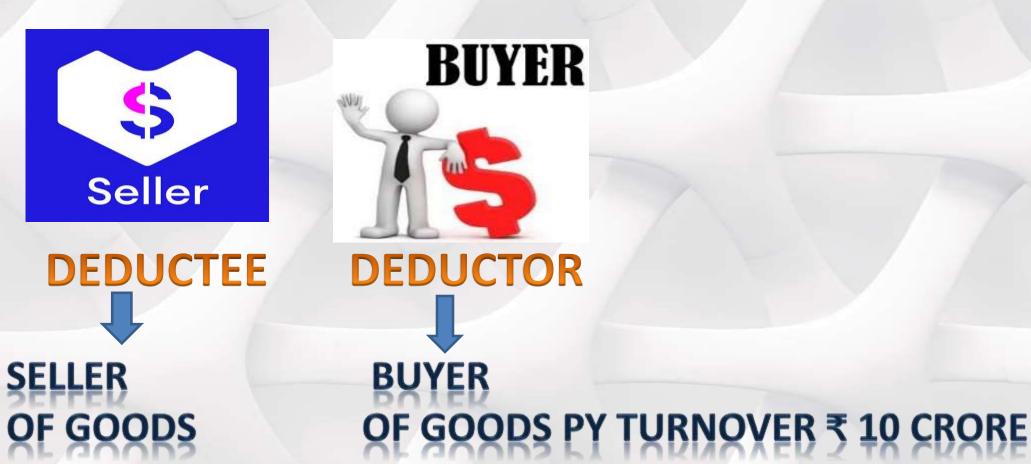


- ♦ Rate of TDS
- **♦** Conditions

- : At Slab Rate
- : 1. Total Income includes Pension & Interest
- 2. Declaration is given.



## Section 194Q- TDS on Purchase of Goods (Applicable w. e. f 01.07.2021)



♦ Threshold Limit : In excess of ₹ 5000000

♦ Rate of TDS : 0.1%

♦ Rate of TDS (No PAN) : 5%



#### Section 206C(1H)-TCS on Sale of Goods





Previous Year Turnover exceeding ₹ 10 Cr



**Transaction Value more Than ₹ 50 Lakhs** 



**Rate 0.1%** 



# Difference between Section 194Q & Section 206C(1H)

Basis	Section 194Q-TDS on purchase of Goods	Section 206C(1H)-TCS on Sale of Goods
Liable to deduct	Buyer	Seller
Turnover	Previous year turnover/gross receipts of BUYER exceeds ₹ 10 Crore	Previous year turnover/gross receipts of Seller exceeds ₹ 10 Crore
Applicability	1st July 2021	1st October 2020
Threshold Limit	Purchase in excess of ₹ 50 Lakh	Sale in excess of ₹ 50 lakhs
Liability of deduction	Bill or Payment whichever is earlier	At the time of receipt
Rate	0.10%	0.10%
Rate if PAN not avaiable	5%	1%
Not Applicable to	Transactions on which TCS is applicable under 206C other than 206C(1H)	Where TDS has been deducted u/s 194Q this section will not apply
TAN Requirement	Yes	Yes
Return form	26Q	27EQ
TDS Certificate	Form 16A	Form 27D



### Analysis of Section 194Q & Section 206C(1H)



Buyer

1

**Turnover** ₹ 6 Cr

**Transaction Value ₹ 55 Lakhs** 

1

Section applicable 206C(1H)

Seller



**Turnover** ₹ 12 Cr



Buyer

1

**Turnover** ₹ 12 Cr

**Transaction Value ₹ 55 Lakhs** 

1

Section applicable 194Q

Seller



**Turnover** ₹ 6 Cr



Buyer

1

**Turnover** ₹ 12 Cr

**Transaction Value ₹ 55 Lakhs** 

Î

Section applicable 194Q

Seller



**Turnover** ₹ 12 Cr



Buyer

1

**Turnover** ₹ 6 Cr

**Transaction Value ₹ 55 Lakhs** 



**Not Applicable** 

Seller



**Turnover** ₹ 6 Cr



Buyer

1

**Turnover** ₹ 12 Cr

**Transaction Value ₹ 45 Lakhs** 



**Not Applicable** 

Seller



**Turnover** ₹ 12 Cr