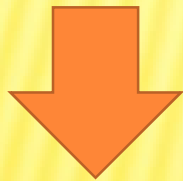


TAX DEDUCTED AT SOURCE (TDS)

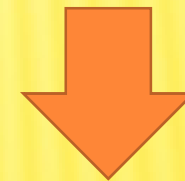
DIRECT TAX VS INDIRECT TAX

Direct Tax



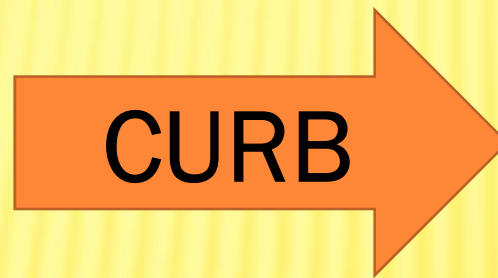
Tax directly paid by
Taxpayer on his income

Indirect Tax



Tax collected by taxpayer from
customer and paid to government

WHY IS THERE A NEED OF TDS?



TAX DEDUCTED AT SOURCE(TDS)

TAX DEDUCTED AT SOURCE(TDS)



SERVICE PROVIDE



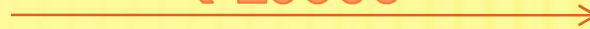
**PAYMENT
AFTER DEDUCTING TDS**

CONCEPT OF DEDUCTOR AND DEDUCTEE

CONCEPT OF DEDUCTOR AND DEDUCTEE



SERVICE PROVIDE
₹ 10000



PAYMENT ₹ 9000
TDS ₹ 1000



DEDUCTEE/
PAYEE

DEDUCTOR/
PAYER

RESPONSIBILITIES OF DEDUCTOR AND DEDUCTEE



DEDUCTEE

- ◆ ISSUE BILL
- ◆ COLLECT PAYMENT
- ◆ COLLECT TDS CERTIFICATE
- ◆ ADJUST TDS WITH INCOME TAX LIABILITY



DEDUCTOR

- ◆ DEDUCT TDS
- ◆ MAKE PAYMENT
- ◆ DEPOSIT TDS
- ◆ FILE RETURN
- ◆ ISSUE TDS CERTIFICATE

DIFFERENCE BETWEEN INCOME TAX & TDS

Income Tax	TDS
Tax is calculated on Annual income	Tax is calculated on Periodic Income of a particular Income.
A person pays income on his total Annual Income	TDS is only partial contribution of his total Income
Income tax is directly paid by the taxpayer	TDS is paid by the deductor on behalf of deductee

WHEN TDS IS TO BE DEDUCTED?

- ◆ Credit of such income to the account of payee.

OR

- ◆ At the time of payment

Invoice Receipt # 14256 • March 03, 2018

Invoice to:
JOHN SMITH
123 green lake st.
City State
Country

#	PRODUCT DESCRIPTION	PRICE	QTY	TOTAL
1	ITEM 1	\$30.50	3	\$91.50
2	ITEM 2	\$50.00	1	\$50.00
3	ITEM 3	\$70.00	5	\$350.00
4	ITEM 4	\$20.00	2	\$40.00

Subtotal \$531.50
Taxes \$63.78
Shipping \$12.00
Discount -\$15.00
TOTAL \$592.28

TERMS & CONDITIONS	ADDITIONAL NOTES	PAYMENT METHOD
Lorem ipsum dolor sit amet, consectetur adipisicing elit, sed do eiusmod tempor incididunt ut labore et magna aliqua.	Ut enim ad minim veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea commodo consequat.	<input type="radio"/> Cash/Debit <input type="radio"/> Cheque <input type="radio"/> Credit card



WHEN TDS IS TO BE DEPOSITED?

Months	Due Date
April	7th May
May	7th June
June	7th July
July	7th August
August	7th September
September	7th October
October	7th November
November	7th December
December	7th January
January	7th February
February	7th March
March	30th April

WHO IS LIABLE TO DEDUCT TDS? (FY 2019-20)

What Business have to Deduct TDS?

TILL FY 2019-20

TDS SALARY

TO BE DEDUCTED IN ALL CASES
WHENEVER SALARY IS MORE THAN
TAXABLE LIMIT i.e. ₹ 250000/-

TDS NON SALARY

BY COMPANY

BY PARTNERSHIP

BY INDIVIDUAL IF LAST YEAR LIABLE TO
AUDIT U/S 44AB*

WHO IS LIABLE TO DEDUCT TDS?(FY 2020-21)

What Business have to Deduct TDS?

FROM FY 2020-21

TDS SALARY

TDS NON SALARY

TO BE DEDUCTED IN ALL CASES
WHENEVER SALARY IS MORE THAN
TAXABLE LIMIT i.e. ₹ 250000/-

BY COMPANY

BY PARTNERSHIP

BY INDIVIDUAL

- ◆ IN BUSINESS-LAST YEAR TURNOVER > ₹ 1 CR
- ◆ IN PROFESSION GROSS RECEIPTS > ₹ 50 LAKHS