TDS Rate Chart FY 2026-27

Assessment Year 2027-28. Every section, threshold and rate on one page - plus what the Income Tax Act, 2025 r

Rates cross-checked 29 July 2026

The change that makes this year different

The Income Tax Act, 2025 came into force on 1 April 2026 and replaced the 1961 Act. The TDS sections you have quoted for years were renumbered. Section 192 became 392. Everything non-salary - 193, 194, the whole 194A to 194T series, and 195 - was consolidated into a single section 393. TCS moved from 206C to 394.

The rates and thresholds themselves carried forward unchanged. What changed is which number you quote, and what your certificates and returns are called. Most charts online have not caught up, which is why the old numbers are kept below as the primary reference with the mapping alongside.

Resident payees

Section	Nature of payment	Threshold	Rate
192	Salary	Basic exemption limit	Slab rates
192A	Premature EPF withdrawal	Rs 50,000	10%
193	Interest on securities	Rs 10,000	10%
194	Dividend	Rs 10,000	10%
194A	Interest from bank / post office / co-op (non-senior)	Rs 50,000	10%
194A	Interest from bank / post office / co-op (senior citizen)	Rs 1,00,000	10%
194A	Interest other than from a bank	Rs 10,000	10%
194B	Winnings from lottery, crossword, card games	Rs 10,000 per transaction	30%
194BA	Net winnings from online games	No threshold	30%
194BB	Winnings from horse races	Rs 10,000 per transaction	30%
194C	Payment to contractor / sub-contractor	Rs 30,000 single or Rs 1,00,000 a year	1% individual or HUF, 2% others
194D	Insurance commission	Rs 20,000	2% individual or HUF, 10% company
194DA	Life insurance payout (taxable part only)	Rs 1,00,000	2%
194EE	Payment out of National Savings Scheme deposits	Rs 2,500	10%
194G	Commission on sale of lottery tickets	Rs 20,000	2%
194H	Commission or brokerage	Rs 20,000	2%
194-I(a)	Rent of plant, machinery or equipment	Rs 50,000 a month	2%
194-I(b)	Rent of land, building, furniture or fittings	Rs 50,000 a month	10%
194-IA	Purchase of immovable property	Rs 50,00,000	1%
194-IB	Rent paid by an individual or HUF not under tax audit	Rs 50,000 a month	2%
194-IC	Payment under a joint development agreement	No threshold	10%
194J(a)	Fees for technical services, royalty for cinema films, call centres	Rs 50,000	2%
194J(b)	Professional fees, director's fees, other royalty, non-compete fees	Rs 50,000	10%
194K	Income from mutual fund units	Rs 10,000	10%
194LA	Compensation on compulsory acquisition of immovable property	Rs 5,00,000	10%
194M	Contract, commission or professional fees paid by an individual or HUF	Rs 50,00,000	2%
194N	Cash withdrawn from a bank in a year	Rs 1,00,00,000	2%
194-O	Payment by an e-commerce operator to a participant	Rs 5,00,000	0.1%
194Q	Purchase of goods	Rs 50,00,000	0.1%
194R	Benefit or perquisite from business or profession	Rs 20,000	10%
194S	Transfer of a virtual digital asset	Rs 10,000 (Rs 50,000 specified persons)	1%
194T	Salary, remuneration, commission, bonus or interest paid to a partner	Rs 20,000	10%

Section	Nature of payment	Threshold	Rate

Non-resident payees

Section	Nature of payment	Threshold	Rate
195	Any sum chargeable to tax paid to a non-resident	No threshold	Rate in force for the income, or the DTAA
194E	Payment to a non-resident sportsman, sports association or entertainer	No threshold	20%
194LC	Interest on foreign currency borrowings or long-term bonds	No threshold	5% (4% or 9% for specified bonds)
196A	Income of a non-resident from units of a mutual fund	No threshold	20% or the DTAA rate
196B	Income from units held by an offshore fund	No threshold	10%
196C	Income from foreign currency bonds or GDRs	No threshold	10%
196D	Income of a Foreign Institutional Investor from securities	No threshold	20% or the DTAA rate

If PAN is not furnished

Deduct at 20%, or at the rate specified in the section, whichever is higher. For section 194-O and 194Q the no-PAN rate is 5%. Sections 206AB and 206CCA, which charged a higher rate to people who had not filed returns, were omitted with effect from 1 April 2025 - you no longer need to check filing status before deducting.

Section	Nature of payment	Threshold	Rate

The rows most often published wrong

Each of these was found stated incorrectly on at least one widely-used chart while this file was being compiled.

194D

Still published at 5% almost everywhere, including a stale static page on the income-tax department's own site. It has been 2% for individual and HUF payees since 1 April 2025. A domestic company payee remains 10%.

194-I

The threshold is Rs 50,000 A MONTH, not Rs 2,40,000 a year. Raised with effect from 1 April 2025, so a tenant paying Rs 45,000 a month deducts nothing.

194T

New, and missing from several charts entirely. A firm paying its own partners salary, interest or bonus above Rs 20,000 in the year has had to deduct 10% since 1 April 2025.

194J

Two different rates under one section number. Technical services are 2%; professional fees are 10%. Deducting 10% on a technical-service bill is the commonest over-deduction there is.

194A

Three different thresholds. Rs 50,000 for bank interest, Rs 1,00,000 if the depositor is a senior citizen, and only Rs 10,000 for interest that is not from a bank.

Section	Nature of payment	Threshold	Rate

Old section to new section

192 -> 392

TDS on salary

193 to 195, and 194A through 194T -> 393

All non-salary TDS, resident and non-resident, consolidated into one section

206C -> 394

Tax collected at source

Forms renamed on 1 April 2026

Form 16 -> Form 130 (Annual TDS certificate for salary)

Form 16A -> Form 131 (TDS certificate for non-salary payments)

Form 27D -> Form 133 (TCS certificate)

Form 24Q -> Form 138 (Quarterly TDS return for salary)

Form 26Q -> Form 140 (Quarterly TDS return for non-salary payments)

Form 3CD -> Form 26 (Tax audit report)

Section	Nature of payment	Threshold	Rate

TCS rates that actually changed on 1 April 2026

TDS rates carried forward, but these TCS rates did not. Both increases and one large reduction.

Alcoholic liquor for human consumption: 1% -> 2%

Scrap: 1% -> 2%

Coal, lignite and iron ore: 1% -> 2%

Tendu leaves: 5% -> 2%

Overseas tour programme package: 5% to 20%, tiered -> 2% flat

Before you rely on this

Compiled 29 July 2026 by cross-checking independent published charts for FY 2026-27 and resolving the disagreements between them. Rates change with each Finance Act and with mid-year notifications. For a payment of any size, confirm against the income-tax department's own material before you deduct. This chart is a working reference, not advice.

Free from gstextract.com/tds-rate-chart