

## **New TDS & TCS Codes Under Income Tax Act 2025**

Complete Guide & Full Code List for FY 2026-27

**Reviewed by Authorized Chartered Accountant: Unit Kr. Jha**

This guide explains the step to pay TDS, revised TDS and TCS compliance framework under Income Tax Act 2025 effective from April 1, 2026. It includes updated numeric code mappings, payment workflow, compliance guidance, and commonly used TDS/TCS categories for businesses and professionals.

### **Steps to Pay TDS (Income Tax Act, 2025)**

1. **Login:** Go to the official Income Tax portal and login using your Tax Deduction and Collection Account Number (**TAN**)
2. **Access e-Pay Tax:** Navigate to the 'e-File' dropdown menu and select the 'e-Pay Tax' option.
3. **Create New Payment:** Click on the 'New Payment' button.
4. **Select Act:** Choose 'Income Tax Act 2025' for all tax transactions executed on or after April 1, 2026.
5. **Select Type:** Click on 'Proceed' located directly under the 'TDS/TCS' module tile.
6. **Enter Details:**

**Tax Year:** Select **2026-27** from the options

**Tax Applicable (Major Head):** Choose the appropriate deductee classification type (e.g., **Company** or **Non-Company**)

**Residential Status:** Select the residential status of the Deductee (e.g., **Resident deductee** or **Non-resident Deductee**)

**Nature/Section:** Select the specific TDS/TCS section code based on the new numeric structure

- *Note:* Under the old Income Tax Act 1961, sections utilized alphanumeric codes (e.g., 94C, 94J) The Income Tax Act 2025 has transitioned entirely to a **numeric code-based system** ranging from **1001 to 1099**

### Challan Consolidation:

- Previously, under the 1961 Act, it was mandatory to process separate TDS challans for different sections (Section 192 for salaries, 194C for contractors, etc.)
- Under the new Income Tax Act 2025, the workflow allows **all TDS categories to be paid via a single, consolidated challan** During the initial transition, you retain the flexibility to process salary TDS via one challan while grouping all non-salary TDS categories into a second, separate challan

---

### TDS / TCS Payment Codes Reference Chart

#### Income Tax Act 2025 | Codes 1001–1092 | Effective April 1, 2026

Source: Draft Forms 138, 140, 143, 144

#### A — SALARY PAYMENTS | Section 392 | Form 138

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1001	392	Salary — Government employees (other than Union Govt.)	192	Slab Rate	138
1002	392	Salary — Employees other than Government employees	192	Slab Rate	138



# IndiaBizExperts

TRUSTED BUSINESS & LEGAL CONSULTATION

1003	392	Salary — Indian Government employees (Union Govt.)	192	Slab Rate	138
1004	392(7)	EPF Withdrawal — accumulated balance due to employee	192A	10%	140/144

## B — PAYMENTS TO RESIDENTS | Section 393(1) | Form 140

### Commission & Brokerage (Sl. No. 1)

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1005	393(1)(Sl.1(i))	Insurance Commission	194D	2%	140
1006	393(1)(Sl.1(ii))	Commission or Brokerage (other than insurance)	194H	2%	140

### Rent (Sl. No. 2)

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1007	393(1)(Sl.2(i))	Rent — Individual/HUF (non-audit), ₹50,000/month or more	194IB	2%	141
1008	393(1)(Sl.2(ii).D(a))	Rent of Plant, Machinery,	194I(a)	2%	140



<b>1009</b>	393(1)(Sl.2(ii).D(b))	Rent of Land, Building, or Furniture (other than plant/machinery)	194I(b)	10%	140
-------------	-----------------------	---	---------	-----	-----

### Immovable Property (Sl. No. 3)

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1010</b>	393(1)(Sl.3(i))	Transfer of Immovable Property — buyer deducts TDS on consideration	194IA	1%	141
<b>1011</b>	393(1)(Sl.3(ii))	Monetary consideration under Joint Development Agreement (Sec 67(14))	194IC	10%	140
<b>1012</b>	393(1)(Sl.3(iii))	Compensation on compulsory acquisition of immovable property	194LA	10%	140

### Investment Income — Mutual Funds, Business Trusts, AIFs (Sl. No. 4)

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1013</b>	393(1)(Sl.4(i))	Income from units of specified Mutual Fund / specified company	194K	10%	140
<b>1014</b>	393(1)(Sl.4(ii))	Income from units of Business Trust — Interest (to resident unit holder)	194LBA	10%	140



<b>1015</b>	393(1)(Sl.4(ii))	Income from units of Business Trust — Dividend (to resident unit holder)	194LBA	10%	140
<b>1016</b>	393(1)(Sl.4(ii))	Income from units of Business Trust — Rent (REIT, to resident unit holder)	194LBA	10%	140
<b>1017</b>	393(1)(Sl.4(iii))	Income from AIF (Category I or II, Section 224) to resident — non-exempt portion	194LBB	10%	140
<b>1018</b>	393(1)(Sl.4(iv))	Income from Securitisation Trust (Section 221) to resident investors	194LBC	25%	140

## Interest (Sl. No. 5)

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1019</b>	393(1)(Sl.5(i))	Interest on Securities	193	10%	140
<b>1020</b>	393(1)(Sl.5(ii).D(a))	Interest from Bank/Post Office deposits — payee is a Senior Citizen	194A	10%	140
<b>1021</b>	393(1)(Sl.5(ii).D(b))	Interest from Bank/Post Office deposits — payee is not a Senior Citizen	194A	10%	140



<b>1022</b>	393(1)(Sl.5(iii))	Interest by other specified payers — non-bank interest	194A	10%	140
-------------	-------------------	---	------	-----	-----

## Contracts & Professional Fees (Sl. No. 6)

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1023</b>	393(1)(Sl.6(i).D(a))	Contract Payment — contractor is an Individual or HUF	194C	1%	140
<b>1024</b>	393(1)(Sl.6(i).D(b))	Contract Payment — contractor is a person other than Individual or HUF	194C	2%	140
<b>1025</b>	393(1)(Sl.6(ii))	Payment by Individual/HUF (non-audit) to Contractor or Professional	194M	2%	141
<b>1026</b>	393(1)(Sl.6(iii).D(a))	Fees for Technical Services (non-professional); Call Centre operations	194J	2%	140
<b>1027</b>	393(1)(Sl.6(iii).D(b))	Fees for Professional Services; sum referred to in Section 26(2)(h)	194J	10%	140
<b>1028</b>	393(1)(Sl.6(iii).D(b))	Remuneration, fees, or commission paid to a Director (excluding salary)	194J	10%	140

## Dividends (Sl. No. 7)



New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1029	393(1)(Sl.7)	Dividends declared by a domestic company	194	10%	140

### Miscellaneous Payments (Sl. No. 8)

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1030	393(1)(Sl.8(i))	Life Insurance Policy sum (taxable portion), including bonus	194DA	2%	140
1031	393(1)(Sl.8(ii))	Purchase of Goods (by specified buyer, turnover >₹10 cr)	194Q	0.1%	140
1032	393(1)(Sl.8(iii))	Payment to Specified Senior Citizen (Bank files return)	194P	Slab Rate	138
1033	393(1)(Sl.8(iv))	Business/Profession Perquisite or Benefit arising from business — in cash	194R	10%	140
1034	393(1)(Sl.8(iv) Note)	Business/Profession Perquisite or Benefit — in kind or mixed	194R	10%	140



<b>1035</b>	393(1)(Sl.8(v))	Sales by e-commerce participant through platform operator	1940	.1%	140
<b>1036</b>	393(1)(Sl.8(vi))	VDA Transfer — by Individual or HUF (non-audit)	194S	1%	141/142
<b>1037</b>	393(1)(Sl.8(vi))	VDA Transfer — by persons other than Individual or HUF (cash)	194S	1%	140
<b>1038</b>	393(1)(Sl.8(vi) Note)	VDA Transfer — consideration in cash, kind, or mixed	194S	1%	140

## C — PAYMENTS TO NON-RESIDENTS | Section 393(2) | Form 144

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1039</b>	393(2)(Sl.1)	Income of non-resident sportsman/entertainer (Non-citizen)	195	<b>20%</b>	144
<b>1040</b>	393(2)(Sl.2)	Interest on foreign currency borrowing (Loans/bonds 2012 to 2023)	194LC	5%	144
<b>1041</b>	393(2)(Sl.3)	Interest on Rupee Denominated Bond issued before 1 Jul 2023	194LC	5%	144



<b>1042</b>	393(2)(Sl.4.E(a))	Interest on LT/Rupee bond listed only on IFSC exchange (2020-2023)	194LC	4%	144
<b>1043</b>	393(2)(Sl.4.E(b))	Interest on LT/Rupee bond listed only on IFSC exchange (On/after 1 Jul 2023)	194LC	9%	144
<b>1044</b>	393(2)(Sl.5)	Interest paid by infrastructure debt fund to a foreign company	194LB	5%	144
<b>1045</b>	393(2)(Sl.6.E(a))	Business Trust distributed income — nature per Schedule V (Sl.3.B(a))	194LBA	5%	144
<b>1046</b>	393(2)(Sl.6.E(b))	Business Trust distributed income — nature per Schedule V (Sl.3.B(b))	194LBA	10%	144
<b>1047</b>	393(2)(Sl.7)	Business Trust distributed income — nature per Schedule V (Sl. 4)	194LBA	10%	144
<b>1048</b>	393(2)(Sl.8)	AIF (Section 224) income to non-resident — non-exempt portion	194LBB	10%	144
<b>1049</b>	393(2)(Sl.9)	Securitisation Trust (Section 221) income to non-resident investor	194LBC	30%	144
<b>1050</b>	393(2)(Sl.10)	Income from units of specified Mutual Fund to non-resident	196A	10%	144



<b>1051</b>	393(2)(Sl.11)	Income in respect of units of Offshore Fund (Section 208)	196B	10%	144
<b>1052</b>	393(2)(Sl.12)	LTCG on transfer of Offshore Fund units (Section 208)	196B	12.5%	144
<b>1053</b>	393(2)(Sl.13)	Interest or Dividends on bonds or GDRs (Section 209) — non-resident	196C	10%	144
<b>1054</b>	393(2)(Sl.14)	LTCG on transfer of bonds or Global Depository Receipts (Section 209)	196C	12.5%	144
<b>1055</b>	393(2)(Sl.15)	Income from securities (Section 210(1)) — Foreign Institutional Investor	196D	20%	144
<b>1056</b>	393(2)(Sl.16)	Income from securities (Section 210(1)) — Specified Fund	196D	10%	144
<b>1057</b>	393(2)(Sl.17)	Any other interest or sum chargeable under Act (excluding salary)	195	Act/DTAA	144

## D — PAYMENTS TO ANY PERSON | Section 393(3) | Forms 140 & 144

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
-----------------	---------------------------	--	---------------------------	-------------	-------------



# IndiaBizExperts

TRUSTED BUSINESS & LEGAL CONSULTATION

<b>1058</b>	393(3)(Sl.1)	Winnings from lottery, crossword puzzle, gambling, etc. — cash	194B	30%	140/144
<b>1059</b>	393(3)(Sl.1 Note)	Winnings from lottery, gambling, etc. — in kind payment	194B	30%	140/144
<b>1060</b>	393(3)(Sl.2)	Winnings from online games — cash payment	194BA	30%	140/144
<b>1061</b>	393(3)(Sl.2 Note)	Winnings from online games — in kind or mixed payment	194BA	30%	140/144
<b>1062</b>	393(3)(Sl.3)	Winnings from horse race	194BB	30%	140/144
<b>1063</b>	393(3)(Sl.4)	Commission, remuneration, or prize on lottery tickets	194G	2%	140/144
<b>1064</b>	393(3)(Sl.5.D(a))	Cash withdrawal from bank/PO — deductee is a co-operative society	194N	2%	140/144
<b>1065</b>	393(3)(Sl.5.D(b))	Cash withdrawal from bank/PO — deductee is other than co-operative	194N	2%	140/144
<b>1066</b>	393(3)(Sl.6)	Payment under Section 80CCA(2)(a) (NSS deposits)	194EE	10%	140/144



# IndiaBizExperts

TRUSTED BUSINESS & LEGAL CONSULTATION

<b>1067</b>	393(3)(Sl.7)	Payment to partners of a firm — salary, remuneration, interest, etc.	194T	10%	140/144
-------------	--------------	--	------	-----	---------

## E — TAX COLLECTED AT SOURCE (TCS) | Section 394 | Form 143

### Traditional Goods

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1068</b>	394(1)(Sl.1)	Sale of Alcoholic Liquor for human consumption	206C(1)	<b>2%</b>	143
<b>1069</b>	394(1)(Sl.2)	Sale of Tendu Leaves	206C(1)	2%	143
<b>1070</b>	394(1)(Sl.3)	Sale of Timber — obtained under a forest lease	206C(1)	<b>2%</b>	143
<b>1071</b>	394(1)(Sl.3)	Sale of Timber — obtained by any other mode	206C(1)	<b>2%</b>	143
<b>1072</b>	394(1)(Sl.3)	Sale of any other Forest Produce (excluding timber/tendu leaves)	206C(1)	<b>2%</b>	143
<b>1073</b>	394(1)(Sl.4)	Sale of Scrap	206C(1)	<b>2%</b>	143
<b>1074</b>	394(1)(Sl.5)	Sale of Minerals — coal, lignite, or iron ore	206C(1)	2%	143

IndiaBizExpert | Tax & Compliance Experts

<https://www.indiabizexperts.com/>



## Motor Vehicle & Luxury Goods

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1075	394(1)(Sl.6.D(a))	Sale of Motor Vehicle — consideration exceeding threshold	206C(1F)	1%	143
1076	394(1)(Sl.6.D(b))	Sale of Wrist Watch — consideration exceeding threshold	—	1%	143
1077	394(1)(Sl.6.D(b))	Sale of Art Piece (antiques, painting, sculpture)	—	1%	143
1078	394(1)(Sl.6.D(b))	Sale of Collectibles (coin, stamp)	—	1%	143
1079	394(1)(Sl.6.D(b))	Sale of Yacht, Rowing Boat, Canoe, or Helicopter	—	1%	143
1080	394(1)(Sl.6.D(b))	Sale of Pair of Sunglasses — consideration exceeding threshold	—	1%	143
1081	394(1)(Sl.6.D(b))	Sale of Bag (handbag, purse) — consideration exceeding threshold	—	1%	143
1082	394(1)(Sl.6.D(b))	Sale of Pair of Shoes — consideration exceeding threshold	—	1%	143



<b>1083</b>	394(1)(Sl.6.D(b))	Sale of Sportswear and Equipment (golf kit, ski-wear)	—	1%	143
<b>1084</b>	394(1)(Sl.6.D(b))	Sale of Home Theatre System — consideration exceeding threshold	—	1%	143
<b>1085</b>	394(1)(Sl.6.D(b))	Sale of Horse for horse racing or polo	—	1%	143

#### LRS Remittances

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1086</b>	394(1)(Sl.7.D(a))	LRS Remittance — for education or medical treatment	206C(1G)	2%	143
<b>1087</b>	394(1)(Sl.7.D(b))	LRS Remittance — for other purposes	206C(1G)	20%	143

#### Overseas Tour Package

<b>New Code</b>	<b>New Section (2025)</b>	<b>Nature of Payment / Description</b>	<b>Old Section (1961)</b>	<b>Rate</b>	<b>Form</b>
<b>1088</b>	394(1)(Sl.8.D(a))	Sale of Overseas Tour Package — amount up to threshold	206C(1G)	2%	143



# IndiaBizExperts

TRUSTED BUSINESS & LEGAL CONSULTATION

1089	394(1)(Sl.8.D(b))	Sale of Overseas Tour Package — amount above threshold	206C(1G)	2%	143
------	-------------------	--	----------	----	-----

## Parking, Toll & Mining

New Code	New Section (2025)	Nature of Payment / Description	Old Section (1961)	Rate	Form
1090	394(1)(Sl.9)	Use of Parking Lot for business purposes	206C(1)	2%	143
1091	394(1)(Sl.9)	Use of Toll Plaza for business purposes	206C(1)	2%	143
1092	394(1)(Sl.9)	Use of Mine or Quarry for business purposes	206C(1)	2%	143

### Need Help with TDS Compliance or Tax Notices?

IndiaBizExperts assists businesses with TDS compliance, ITR filing, tax notice response, and accounting support.

**Book Consultation:** [www.indiabizexperts.com/Booking](http://www.indiabizexperts.com/Booking)

**Copyright Notice:** This document is the intellectual property of IndiaBizExperts. Unauthorized reproduction, redistribution, upload, or publication on any third-party website or platform is strictly prohibited without written permission.