

Changes in Rate of TDS in Union Budget 2024 as Follows:

- Budget 2024 reduced the TDS rates on specified payments to facilitate business and improve taxpayer compliance.
- However, TDS rates are effective only either after 1st Oct 2024 or 1st April 2025. The table below shows the specified payments.

Section	Existing Rate	New Rate	Effective Date
Section 194D - Payment of insurance commission in case of other than company	5%	2%	1-04-2025
Section 194DA - Payment in respect of life insurance policy	5%	2%	01-10-2024
Section 194G -Commission on sale of lottery tickets	5%	2%	01-10-2024
Section 194H - Payment of commission or brokerage	5%	2%	01-10-2024
Section 194-IB - Payment of Rent by certain individuals or HUF	5%	2%	01-10-2024
Section 194M - Payment of certain sums by certain individuals or HUFs	5%	2%	01-10-2024
Section 194-O - Payment of certain sum by e-commerce operator to e-commerce participants	1%	0.1%	01-10-2024
Section 194F - Payment on account of repurchase of units by mutual funds or UTI	To be Omitted		01-10-2024