

**NDM Brief****Interplay of TDS and TCS Provisions on domestic sale of Goods**

<i>Particulars</i>	<i>TDS on Domestic purchase of goods</i>	<i>TCS on Domestic Sale of goods</i>
Section	Section 194Q	Section 206C(1H)
Effective Date	1 July 2021	1 October 2020
Compliance Liability	<p><u>From 1 October 2020 till 30 June 2021</u></p> <p>No Liability</p> <p><u>From 1 July 2021 onwards</u></p> <p>Primary Liability</p>	<p><u>From 1 October 2020 till 30 June 2021</u></p> <p>Primary Liability</p> <p><u>From 1 July 2021 onwards</u></p> <p>Secondary Liability</p>
Incidence of Liability	At time of credit or payment, whichever is earlier	At the time of receipt
Rate of TDS/TCS (in non-defaulting cases)	0.1%	0.1%
Pre-condition (for Company)	Immediately preceding year's sales/ receipts/ turnover exceeding INR 10 crores	Immediately preceding year's sales/ receipts/ turnover exceeding INR 10 crores
Pre-condition (for Vendor/ Customer i.e. other party)	Purchase from particular vendor exceeds INR 50 lacs	Sales to particular customer exceeds INR 50 lacs