

Bharat J. Bajaria

The Finance Bill, 2024, provides for Section 194T New TDS (Tax Deducted at source), Now it is passed as ACT under the Income Tax. The said provision would be applicable from 1st April 2025. Section 194T provides for obligation on The Partnership Firms and LLP small or Big to deduct TDS on paying any sum in the nature of SALARY, REMUNERATION, COMMISSION BONUS or INTEREST, on such payment or Credit to the Capital Account of Partner, shall Deduct TDS at the rate of 10% of such amount. Only Threshold limit is Rs.20000/- aggregate payments of such amount. In my view it is Very low. Instead it should have not been provided. This is very Harsh Law for Small and Medium Enterprises all over India especially in Rural, Small Towns or even District level areas for the reasons given below. In Indian villages, Towns or even smaller cities Small Traders or Manufacturers are doing Family Run Business in Partnership of Two Brothers or Father and Son or Hus.....