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Best place to learn Accounts, Tax, GST

Assignment 1

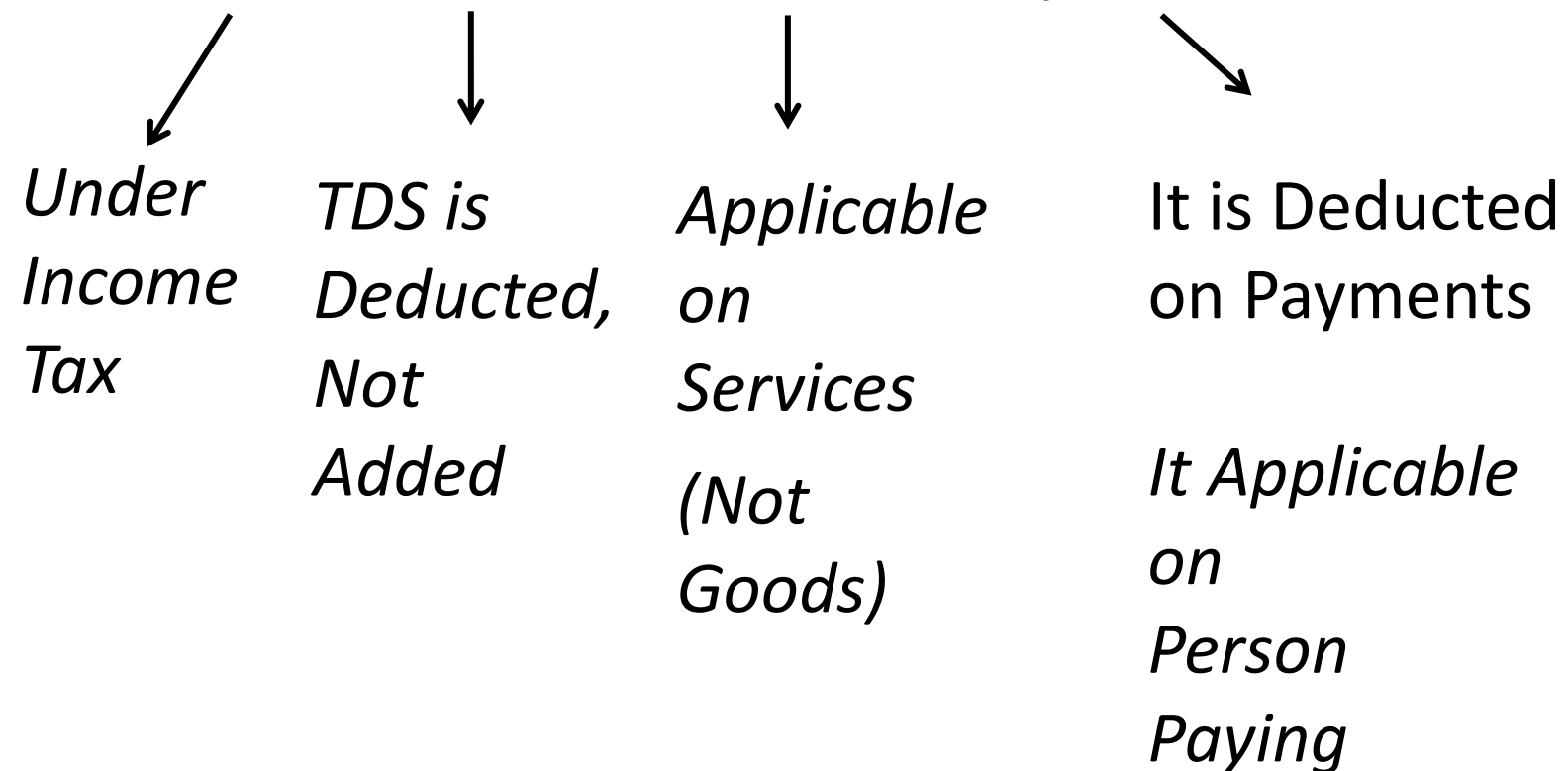
TDS Basics

by [CA Maninder Singh](#)

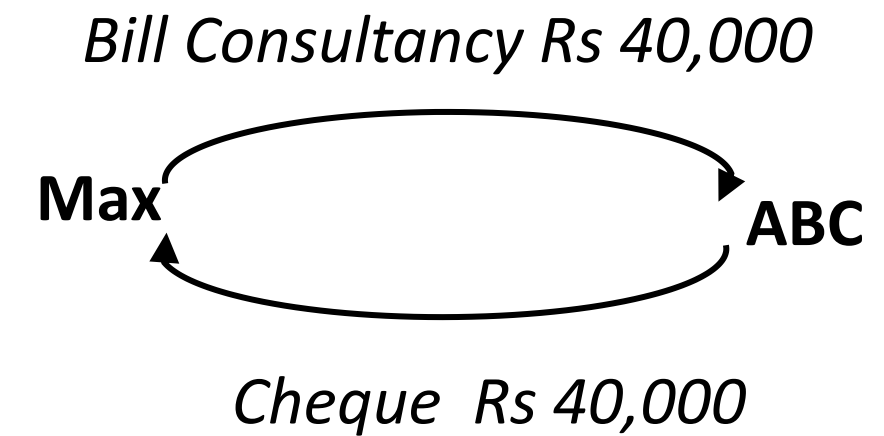
What is TDS

↓
Tax Deducted at Source

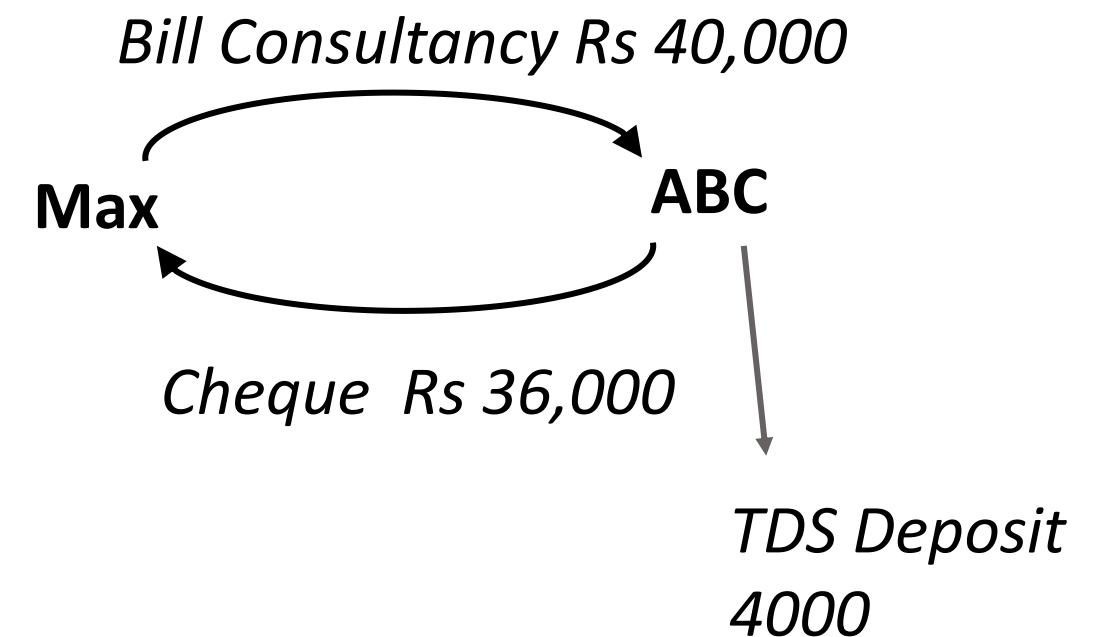
↓
Tax Deducted on Some Payments



If No TDS Applicable



If TDS @10%



Who is Deductor

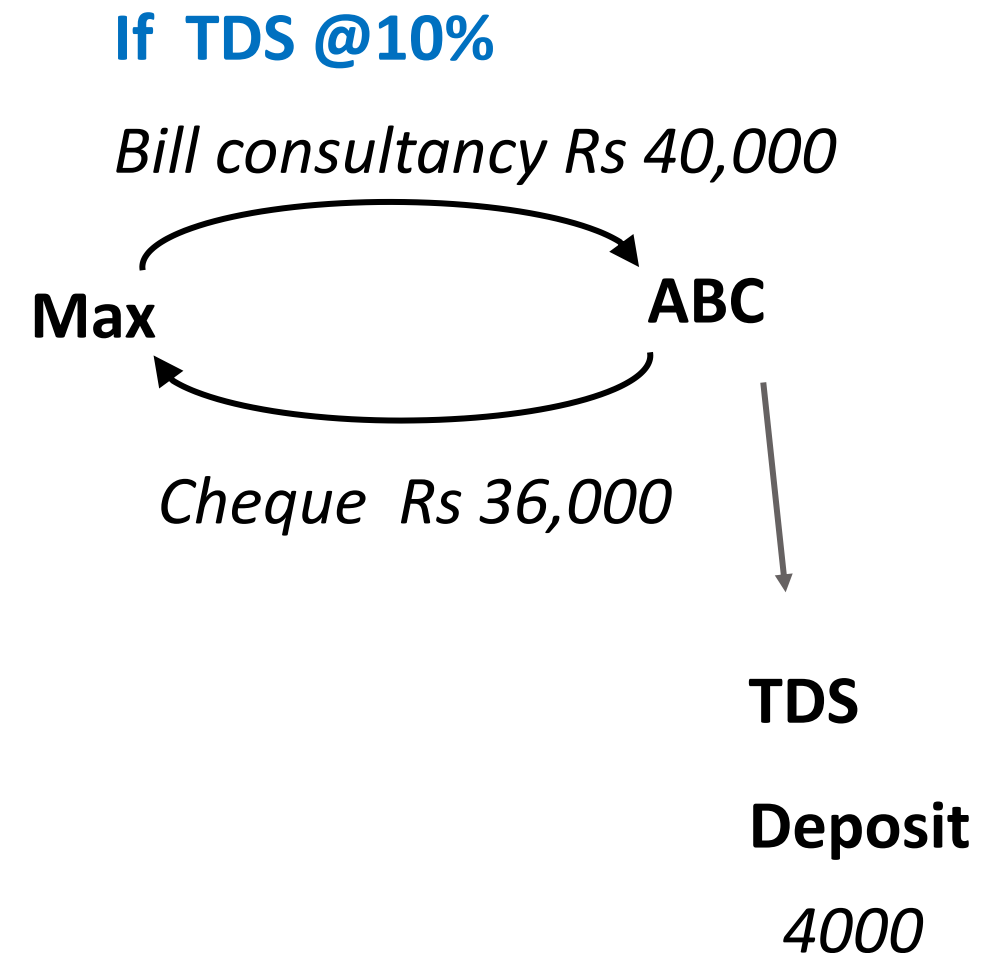
Person Deducting TDS

Who is Deductee

Person whose TDS Deducted

Who is Deductor Deductee here →

Deductor	ABC
Deductee	Max



What is TDS Challan

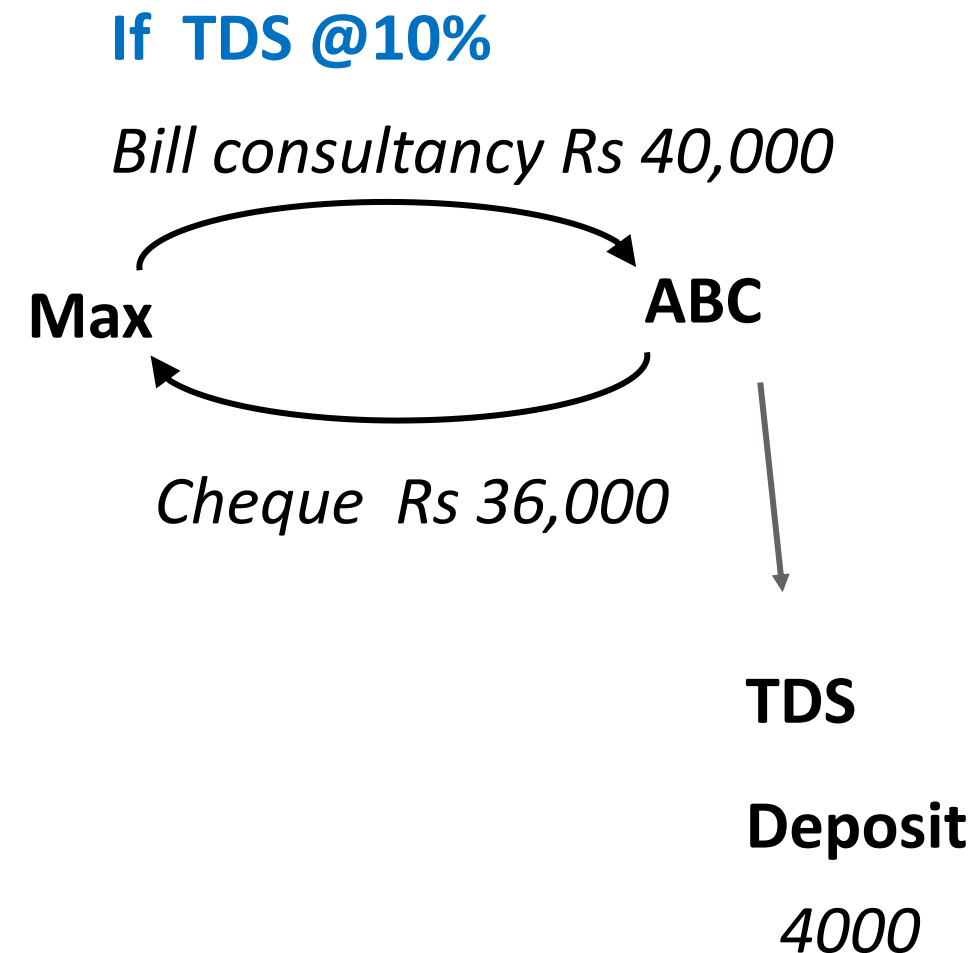
It is a form to pay TDS

What is TDS Return

*It is a form containing details of
Deductor, Deductee, Amt and TDS*

Who will fill TDS Challan & Return →

It is filled by Deductor ABC



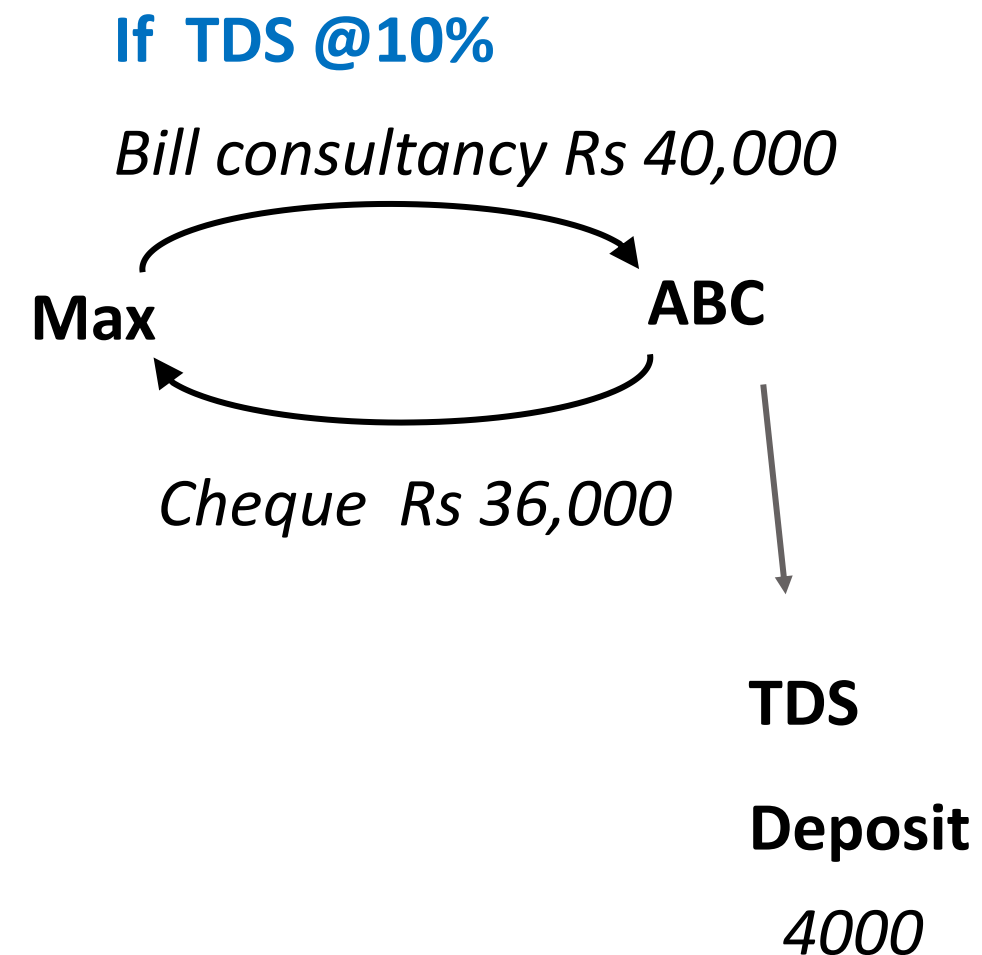
What is TDS Certificate

It is a proof that TDS has been deducted

It is given by Deductor to Deductee

Who will fill TDS Certificate to Whom →

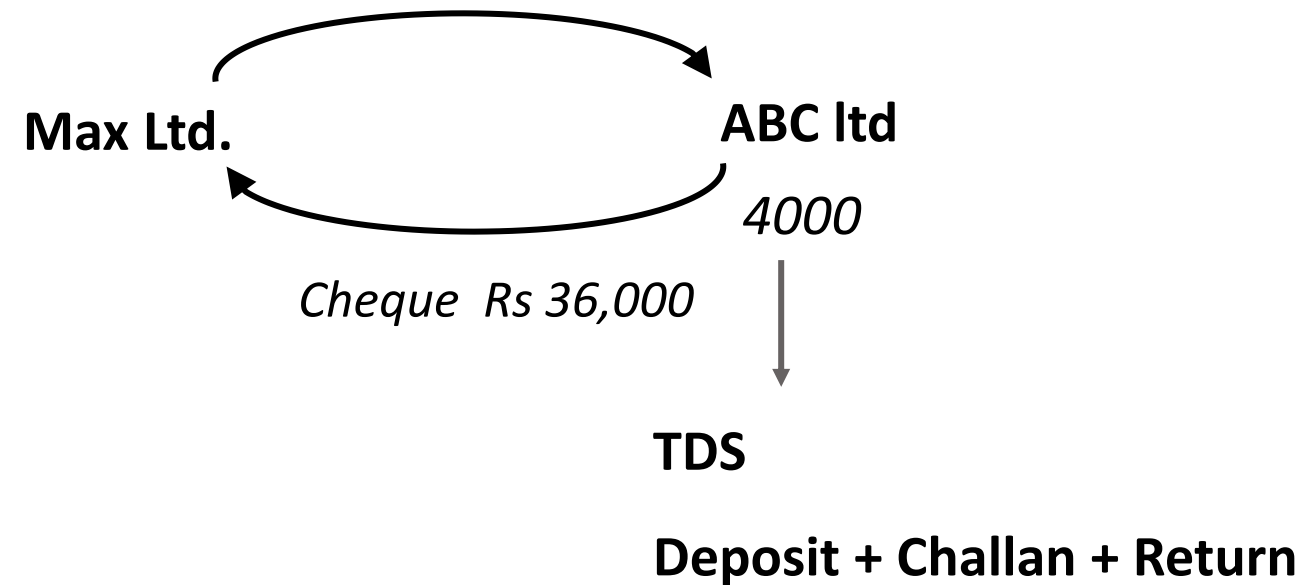
ABC Will give TDS Certificate to Max



Who will fill TDS Challan and Return

If TDS @10%

Bill consultancy Rs 40,000

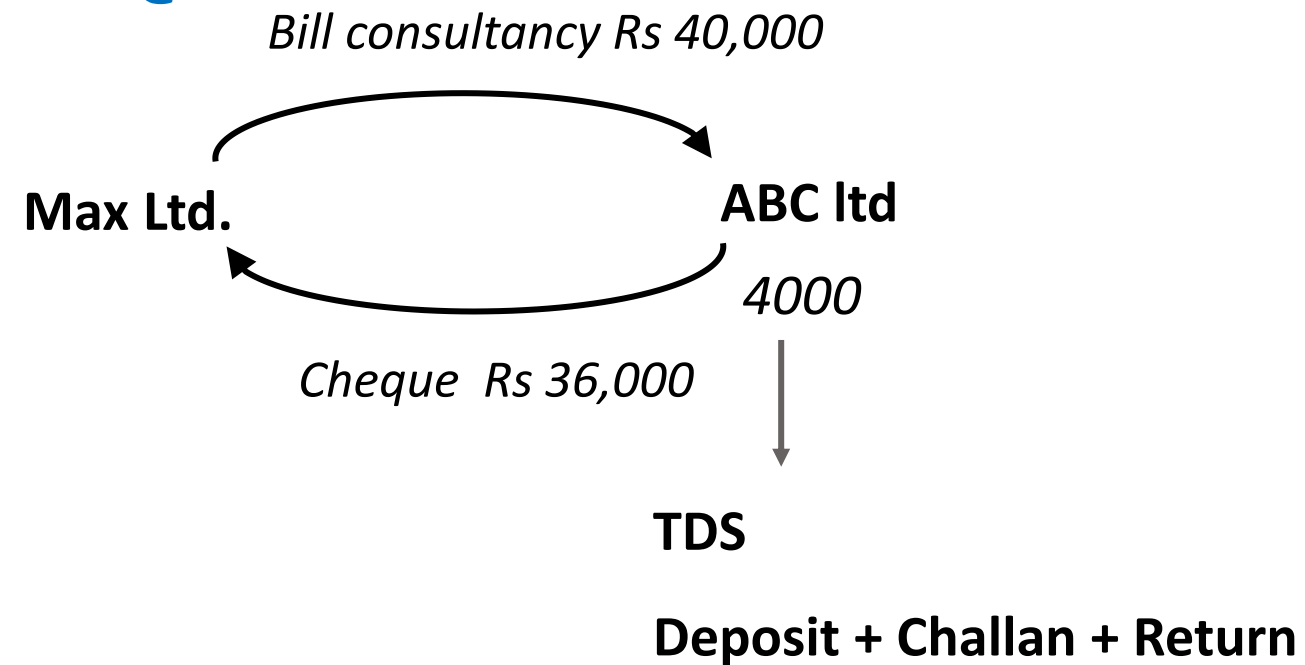


TDS Challan	TDS Return
It is a form to pay TDS	It contains details of TDS
It is filled Monthly	It is filled Quarterly

ABC will fill TDS Challan and Return

Who will fill TDS Challan and Return

If TDS @10%



What is TDS Certificate

It is a proof that a person has deducted TDS

It is given by Deductor to Deductee

ABC will give TDS Certificate to Max

When is TDS Deducted

TDS is Deducted on

Bill **10 Jan**

or
Payment **20 March**

which is earlier **10 Jan** **7th Feb**
7th of Next Month (TDS Challan Due date)

Note

TDS Deducted in March is deposited by 30 April and not 7th April

When is TDS Deposited

It is Deposited by
7th of Next Month

of Deduction Date

TDS Deducted in	TDS Deposited by
Jan	7 Feb
Feb	7 March
March	7 April 30 April
April	7 May

Bill Date	10 Aug
Payment Date	18 Nov

When is TDS Deducted and Deposited

TDS is Deducted on

Bill 10 Aug

Or

Payment 18 Nov

which is earlier 10 Aug



*7th of Next
Month*

TDS is Deposited on

7th of Next Month

of Deduction

7 September

Bill Date	10 Aug
Payment Not Yet Made	

When is TDS Deducted and Deposited

TDS is Deducted on

Bill 10 Aug

Or

Payment

which is earlier 10 Aug



*7th of Next
Month*

TDS is Deducted on

*7th of Next Month
of Deduction*

7 Sep

(TDS Challan due Date)

Bill Date	10 Aug
Payment Made in Advance	5 Apr

When is TDS Deducted and Deposited

TDS is Deducted on

Bill 10 Aug

Or

Payment 5 April

which is earlier 5 April

—————→
7th of Next
Month

TDS is Deducted on

7th of Next Month


of Deduction

7 May

(TDS Challan due Date)

Bill Date	10 Aug
30% Payment Made in Advance	5 Apr
70% Payment Made in Advance	19 Dec

When is TDS Deducted and Deposited

TDS is Deducted on	30%	70%		TDS is Deducted on
<i>Bill</i>	10 Aug	10 Aug		<i>7th of Next Month of Deduction</i>
<i>Or</i>				
<i>Payment</i>	5 April	19 Dec		30% 70%
<i>which is earlier</i>	5 April	10 Aug		7 May 7 Sep <i>(TDS Challan due Date)</i>

Bill Received On	Payment made on	TDS Deducted on	TDS Deposited on
2 July	3 July	2 July	7 Aug
2 July	1 July	1 July	7 Aug
2 July	30 June	30 June	7 July
2 July	30 June 30%	30 June 30%	7 July 30%
	15 Aug 70%	2 July 30%	7 Aug 70%
2 July	30 April 10%	30 April 10%	7 May 10%
	30 May 20%	30 May 20%	7 June 20%
	18 July 30%	2 July 30%	7 Aug 30%
	18 Sep 40%	2 July 70%	7 Aug 40%

EXPENSE ENTRIES

IF NO TDS

Bill

Expense A/C Dr.	100000	
To Party A/C		100000

Payment

Party A/C Dr.	100000	
To Bank A/C		100000

Payment

Party A/C Dr.	100000	
To Bank A/C		100000

Bill

Expense A/C Dr.	100000	
To Party A/C		100000

If TDS @ 10%

Bill

Expense A/C Dr.	100000	
To Party A/C		90000
To TDS		10000

Payment

Party A/C Dr.	90000	
To Bank A/C		90000

Payment

Party A/C Dr.	100000	
To Bank A/C		90000
To TDS		10000

Bill

Expense A/C Dr.	100000	
To Party A/C		100000

**First Expense then
Payment →**

**First Payment in
Advance,
then Expense →**

20% Payment in Advance, then Expense 100000, then Balance Payment

If No TDS

Payment

Party A/C Dr.	20000	
To Bank A/C		20000

Bill

Expense A/C Dr.	100000	
To Party A/C		100000

Payment

Party A/C Dr.	80000	
To Bank A/C		80000

If TDS @ 10% Applicable

Payment

Party A/C Dr.	20000	
To Bank A/C		18000
To TDS A/C		2000

Bill

Expense A/C Dr.	100000	
To Party A/C		92000
To TDS A/C		8000

Payment

Party A/C Dr.	72000	
To Bank A/C		72000

What is Entry of Bill with GST

A	
Consultancy Charges	100000
CGST	9000
SGST	9000
Total	118000

-->Assume we do not get any input

IF NO TDS

Bill

Consultancy Expense Dr	118000	
		To A
		118000

Payment

A Dr.	118000	
		To Bank A/C
		118000

IF TDS @10%

Bill

Consultancy Expense Dr	118000	
		To A
		108000
		To TDS
		10000

Payment

A Dr.	108000	
		To Bank A/C
		108000

What is Entry of Bill with GST

A	
Consultancy Charges	100000
CGST	9000
SGST	9000
Total	118000

--> Assume we get input (ITC)

IF NO TDS

Bill

Consultancy Expense Dr	100000	
Input CGST 9%	9000	
Input SGST 9%	9000	
To A		118000

Payment

A Dr.	118000	
To Bank A/C		118000

IF TDS @10%

Bill

Consultancy Expense Dr	100000	
Input CGST 9%	9000	
Input SGST 9%	9000	
To A		108000
To TDS		10000

Payment

A Dr.	108000	
To Bank A/C		108000