



TCS ON SALE OF GOODS

206(1H)

(W.E.F. OCTOBER 01, 2020)



AAUM & CO.

CHARTERED ACCOUNTANTS

APPLICABILITY OF TCS



Total Sales / Gross receipts
> 10 crore during Prev. FY

Sale
Proceeds
incl. GST

Sales Receipts on GOODS
ONLY

TCS 0.1%
~ reduced rate
0.075% (May 14 '20
to Mar. 31 '21)

If Buyer's PAN / Aadhar
not available: @1%

Per Buyer
~ check
each year

Receipt amount /
Aggregate > 50 Lakhs

"Try not to become a man of success.
Rather become a man of value." – Albert Einstein

INSTANCES: NO TCS APPLICABLE

Sales, gross receipts, turnover \leq 10 crores

Export of Goods ~ *Deemed export under GST not considered*

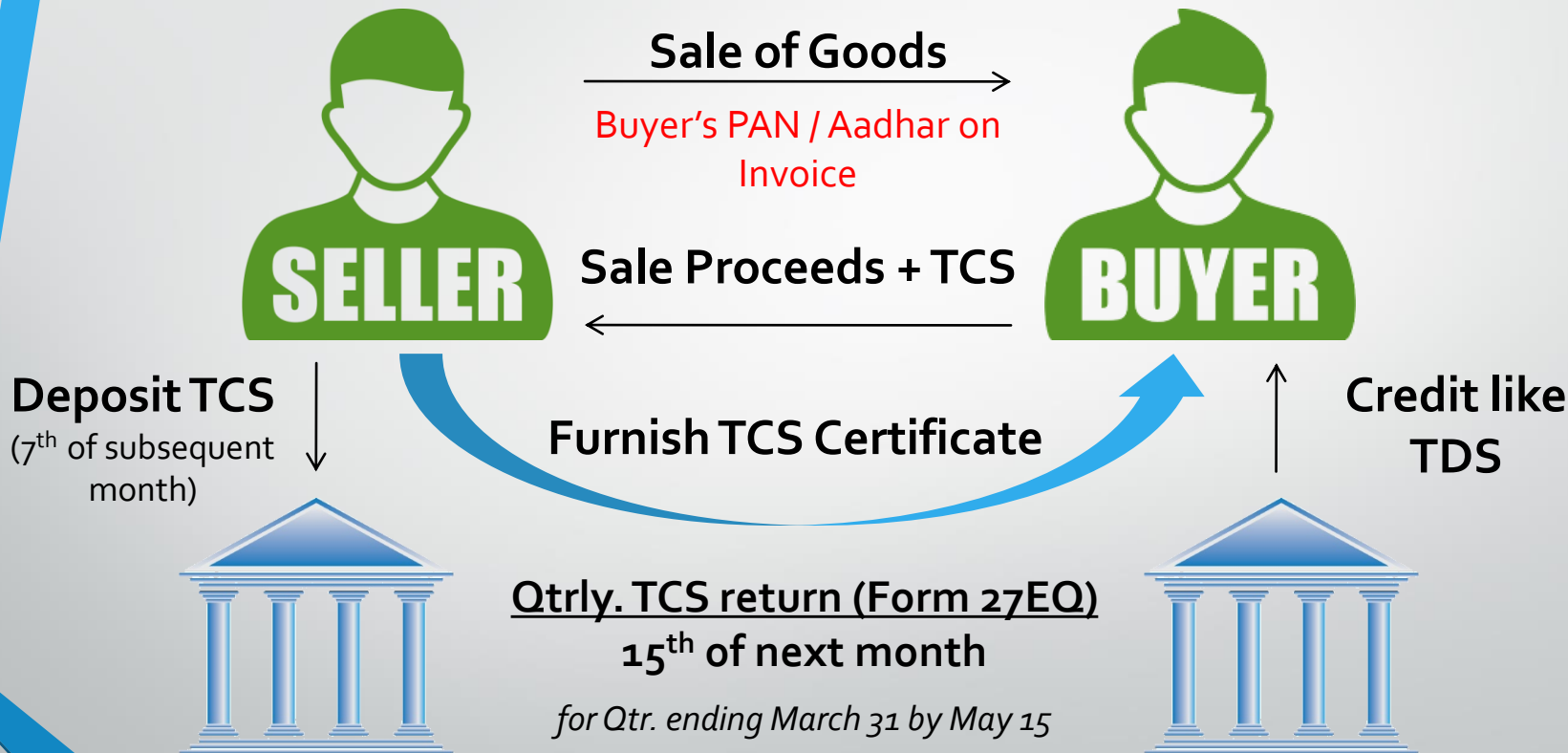
Engaged in providing Service

Already Requirement of TDS / TCS

If Buyer - Central / State Govt. / Local authority or Importing goods to India

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PICTORIAL REPRESENTATION



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UNDERSTAND THE SCOPE OF LEVY (1/2)

Sr. No.	Seller	TO in FY 19-20	TO in FY 20-21	Buyer	Remarks
1	Mr. X	9 crs.	7 crs.	Mr. Y	✗ TO in Prev. FY < 10 crs.
2	Mr. X	9 crs.	11 crs.	Mr. Y	✗ TO in Prev. FY < 10 crs.
3	Mr. X	11 crs.	15 crs.	Mr. Y (Municipal Corporation)	✗ Buyer excluded
4	Mr. X	11 crs.	15 crs.	Mr. Y (Liable to deduct TDS)	✗ Buyer excluded
5	Mr. X (Vehicle Dealer)	11 crs.	15 crs.	Mr. Y	✗ Seller excluded
6	Mr. X	9 crs.	11 crs.	Mr. Y (outside India)	✗ Transaction excluded

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UNDERSTAND THE SCOPE OF LEVY (2/2)

Seller	TO in FY 19-20	TO in FY 20-21	Buyer
Mr. X	11 crs.	15 crs.	Mr. Y

Sr. No.	Sale	Receipt	Amount Received	TCS on	Remarks
7	Before Oct. 1	Before Oct. 1	60 Lakhs	Nil	<input checked="" type="checkbox"/> No Receipt in relevant period
8	After Oct. 1	Before Oct. 1	60 Lakhs	Nil	<input checked="" type="checkbox"/> No Receipt in relevant period
9	Before Oct. 1	After Oct. 1	60 Lakhs	10 Lakhs	<input checked="" type="checkbox"/> On Excess amount
10	After Oct. 1	Before Oct. 1	35 Lakhs	Nil	<input checked="" type="checkbox"/> No Receipt in relevant period
		After Oct. 1	65 Lakhs	15 Lakhs	<input checked="" type="checkbox"/> On Excess amount
11	After Oct. 1	Dec. 31 (Sales Return)	60 Lakhs	Nil	No reversal in TCS Liability

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Thank You



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