

Updated Online video classes available for CA,CS,CMA for May20 and Nov20 batch. Call: 1800-3000-0505

Home / Articles / Income Tax

Enroll. Refer. Earn With ICICI Bank Home Loans ENROLL NOW T&C apply

# Form 15G - Form 15H for no deduction of tax at source



CA Mehul Thakker

on 19 January 2019

## Section 197A

Section 197A provides that if a declaration in a prescribed form (Form no. 15G - Form 15 H) is submitted by the recipient of income to the payer, then no tax is deductible under following sections:

Section No.	Nature of Payment

## Popular Articles

- Section 194M - TDS on payment to resident contractors and professionals
- Exempted Incomes in the new tax regime
- Honest assessee caught in the web of section 269 cash deposit
- Relevant Income Tax Updates in Finance Bill, 2020
- Clarification on Section 269SU
- Section 68 of the Income Tax Act 1961- Judicial Interpretation

Section 192A	Payment of accumulated balance due to an employee
Section 193	Interest on Securities
Section 194	Dividends
Section 194A	Interest other than interest on securities
Section 194D	Insurance Commission
Section 194DA	Payment in respect of life insurance policy
Section 194EE	Payment in respect of deposits under National Savings Scheme
Section 194-I	Rent

### Persons eligible to submit Form 15 G - Form 15H

Nature of payment falling under:	Persons eligible to submit
----------------------------------	----------------------------

- 7 An Overview of Cash Transaction Limits & Restrictions
- 8 Section 194N - TDS on Cash withdrawal over and above Rs. 1 crore

### CCI Articles

You can also submit your article by sending to [article@caclubindia.com](mailto:article@caclubindia.com)

submit article

Stay updated with latest Articles!

Enter your email

Subscribe

### CCI Online Courses

 **GST certification**  
Professional Course

 **Online Excel Course**  
Professional Course



**GST Annual Return**

	<b>prescribed declaration under section 197A</b>
Section 194 and 194 EE	Resident Individual
Other sections - Section 192A, Section 193, Section 194A, Section 194D, Section 194DA, Section 194-I	Any person other than a company or a firm

It is to be noted that Form 15H can be submitted by an individual resident in India, who is of age of sixty years or more at any time during the previous year (i.e. senior citizen) **while** Form 15 G can be submitted by the other eligible persons listed above.

### **Conditions to be observed before submitting above declaration**

(a) Tax on his estimated total income of the previous year will be nil **AND**

(b) Aggregate of income falling under Section 192A, Section 193, Section 194, Section 194A, Section 194D, Section 194DA, Section 194 EE and Section 194-I shall not exceed maximum amount not chargeable to tax (i.e. exemption limit) **[This condition is very tricky- to understand this condition effectively, readers should go through Practical 1 and 2 minutely]**

It is to be noted that condition (b) is not applicable w.e.f. 1st June, 2003 if the recipient is a resident individual who is 60 years or more at any time during the

Professional Course



[Browse by Category](#)

financial year. (i.e. senior citizen)

### Duty of the payer of income referred to in above sections

The payer shall submit the declaration to the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, on or before the seventh day of the month next following the month in which the declaration is furnished to him.

### Practical application of the section 197A

#### Practical 1

Mr. Jagat, resident, aged 55 years, provides following estimation for the previous year **2018-19**

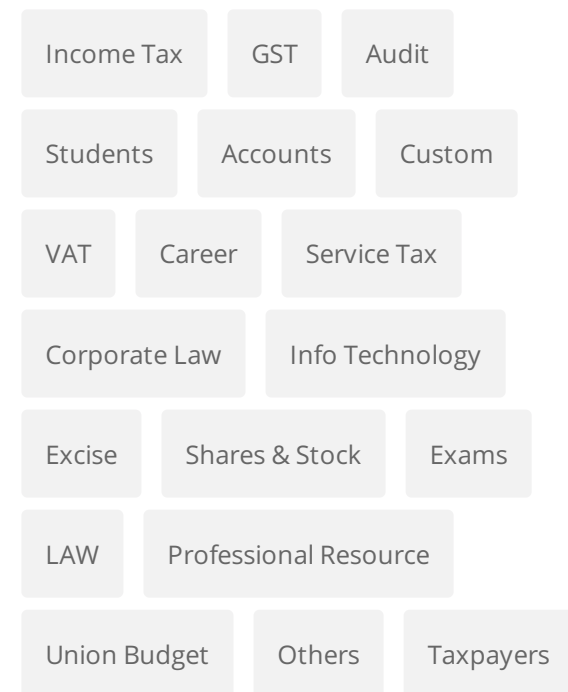
1. F.D. interest from State Bank of India - Rs. 1,00,000
2. Income under the head 'PGBP' - Rs. 2,22,000
3. Contribution to P.P.F.- Rs.1,10,000

He would like to submit Form No. 15G to State Bank of India. Advise him.

#### Solution

First of all, let' s verify whether both the conditions (a) and (b) relevant for submitting declaration are satisfied or not?

**Condition (a)** Tax on his estimated total income of the previous year will be nil



Particulars	Rs.
-------------	-----

Income under the head 'PGBP'	2,22,000
FD interest with SBI	1,00,000
<b>Gross Total Income (GTI)</b>	<b>3,22,000</b>
Less: Deduction u/s 80C-Contribution to PPF	(1,10,000)
<b>Total Income</b>	<b>2,12,000</b>
<b>Tax on estimated income</b>	<b>Nil</b>

**Condition (b)** Aggregate of income falling under Section 192A, Section 193, Section 194, Section 194A, Section 194D, Section 194DA, Section 194 EE and Section 194-I shall not exceed maximum amount not chargeable to tax (i.e. exemption limit)

In this case, FD interest Income (falling under Section 194A) is Rs.1,00,000 which doesn' t exceed exemption limit. Therefore, in present case, both the conditions of section 197A are satisfied. Hence, Mr. Jagat can submit form No. 15G to SBI in duplicate.

## **Practical 2**

Consider following changes in above Practical 1.

"Instead of income under the head 'PGBP', interest on debentures from Reliance Industries Limited is given".

Can Jagat submit Form No. 15G to State Bank of India as well as to Reliance Industries Limited?

### **Solution**

First of all, let' s verify whether both the conditions (a) and (b) relevant for submitting declaration are satisfied or not?

**Condition (a)** Tax on his estimated total income of the previous year will be nil.

The computation made in Practical 1 shall remain valid because I have changed the nature of income and not the amount. Therefore, condition (a) is satisfied in this practical.

**Condition (b)**

Aggregate of income falling under Section 192A, Section 193, Section 194, Section 194A, Section 194D, Section 194DA, Section 194 EE and Section 194-I shall not exceed maximum amount not chargeable to tax (i.e. exemption limit)

In this practical, total of [FD interest income (falling under section 194A) and interest from Reliance industries Ltd. (falling under section 193)] is Rs.3,22,000 [Rs.1,00,000+ Rs. 2,22,000] which exceeds Rs. 2,50,000 [exemption limit].

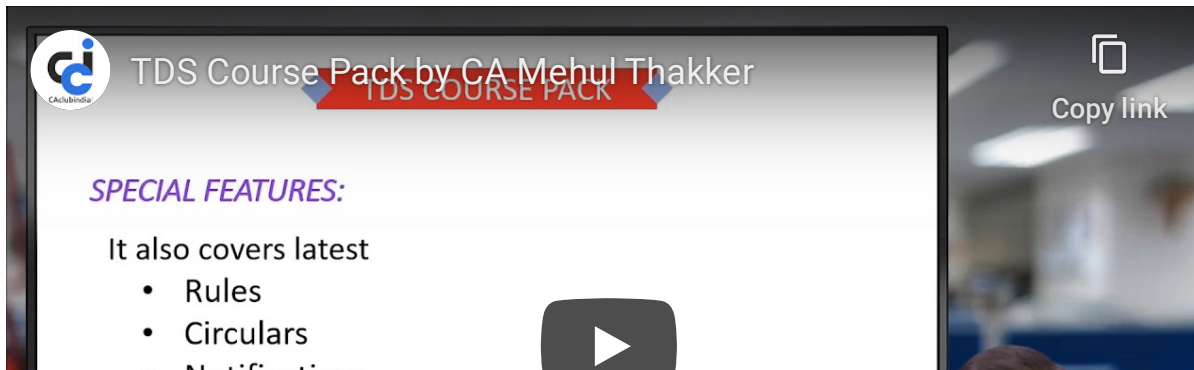
Therefore, condition (b) is not satisfied. Hence, Mr. Jagat cannot submit form 15G to SBI as well as Reliance Industries Limited.

### Brainstorming

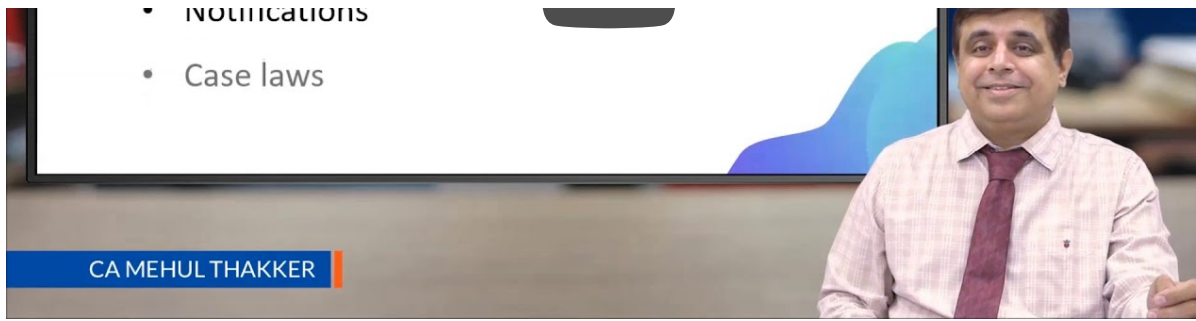
Mr. Bhagat, resident, aged 66 years, provides following estimation for the previous year **2018-19**

- (a) F.D. interest from State Bank of India- Rs. 3,10,000
- (b) Pension Income - Rs. 72,000
- (c) Contribution to P.P.F. Rs. 1,00,000

Mr. Bhagat would like to submit Form No. 15 H to State Bank of India. Advise him.



The image is a screenshot of a video player. In the top left corner, there is a logo for 'CAclubIndia'. The main title of the video is 'TDS Course Pack by CA Mehul Thakker'. Below the title, there is a red banner with the text 'TDS COURSE PACK'. On the right side of the video player, there is a 'Copy link' button. The main content of the video is a slide titled 'SPECIAL FEATURES:' which lists the following features: 'It also covers latest', '• Rules', '• Circulars', and '• Notifications'. A play button is visible at the bottom center of the video player.



To enrol the course on **Practical Aspects of Tax Deduction and Collection at Source under Income Tax Act** by CA Mehul Thakker : [Click Here](#)

Tags : [Income Tax](#)

## Recommended Read

- [GST - Construction service - Is Actual land Value deduction possible?](#)
- [Issues reported in filing Form GSTR 9/9C by taxpayers: Steps to be taken](#)



8 Likes 5226 Views 8 Shares

Category [Income Tax](#)

Other Articles by - [CA Mehul Thakker](#)



[Report Abuse](#)



RADHAKRISHNAN K.V.

[10 months ago](#)

Is there any embargo in using form 15G for interest on investments made by a co-opertive society?

[Reply](#) [Like](#)



JASBIR SINGH

[12 months ago](#)

I think senior citizen is not entitled to submit form 15H to bank because he




fulfills the first condition ( a) only i.e.total income is below the taxable limit but 2nd condition (b) is not fulfilled because his individual income u/s 194A is more than the taxable exemption limit of Rs.300000. Of course he is eligible for refund for the entire amount of TDS deducted by bank by filing ITR.

 Reply  Like

CA MEHUL THAKKER

[12 months ago](#)

Dear Jasbir, Read article once again, you may come to correct answer. All the best

 Reply  Like

SAIKUMAR

[about a year ago](#)



what is the time at which 15G or 15H to be submitted.Is it at the start of the financial year or end of the financial year? if it is at the start of the financial year.....how can someone estimate it?

 Reply  Like

CA MEHUL THAKKER

[about a year ago](#)

Dear Saikumar, if you give it at the end of financial year then it is no more estimate :) Even deductor would not wait till the end of the financial year because it has to deduct tax at source generally at the time of payment or credit to the payee, whichever comes earlier.

 Reply  Like

MAHESH BOHARA

[about a year ago](#)

no. News

 Reply  Like

LIYA FIZAL

[about a year ago](#)

A person ( senior Citizen) has received interest income from deposit rs 5 lakh above. if bank can receive 15H from a customer.

[↩ Reply](#) [👍 Like](#)

CA MEHUL THAKKER

[about a year ago](#)

Senior citizen can submit 15H for interest income from deposit provided tax on estimated total income will be NIL.

[↩ Reply](#) [👍 Like](#)

SAPNA HARWANI

[about a year ago](#)

can 15 G not be given for no deduction of tds u/s 194C??????

[↩ Reply](#) [👍 Like](#)

CA MEHUL THAKKER

[about a year ago](#)

Form 15G can be submitted for the payments falling under sections listed above as per the provisions of section 197A of the Income Tax Act. Section 194C is not in the list and therefore, Form 15 G declaration can't be submitted for the same

[↩ Reply](#) [👍 Like](#)

Show All (16) →

You are not logged in . Please login to post comments.

[Click here to Login / Register](#)

## Related Articles

---

- ▶ Pre-preparation for filling of Annual Return form GSTR 9
- ▶ Analysis of form DPT-3
- ▶ NFRA Form 1 (Details of auditor) - Last Date 31st July, 2019
- ▶ Section 194M - Deduction of TDS by Individual and HUF from payments to contractors and professionals
- ▶ All about Significant beneficial owner Form No. BEN-2
- ▶ To identify the real acting person behind the curtains : Form BEN-2
- ▶ Incorporation of Section 8 Companies: No Requirement for INC 12 Filing
- ▶ Steps to be taken by taxpayers to file Form GSTR 9C

[More »](#)

## Other Latest Articles

---

- ▶ ESOP's Taxation and Accounting in India
- ▶ Steps to be taken before implementation of 'E-invoicing and new GST return'
- ▶ Non-payment of Stamp Duty By Company on issue of Security
- ▶ Madras HC: GST Interest on Net Tax Liability
- ▶ Understanding composition scheme under GST
- ▶ Amended Direct Tax Vivad se Vishwas Bill, 2020
- ▶ Tax collected at Source(TCS) on tour operator
- ▶ How I faced my biggest fears to build an extraordinary Career

[More »](#)

Articles

News

GST

Trainee Corner

Member Strength 30,52,941 and growing..

Forum

Experts

Scorecard

Notification

Get latest updates

Career

Budget

CCI Online Learning

Featured



Jobs

Feed

Share Files

Poll

Video

Top Members

Bookmarks

Coaching Institutes

Download CCI APP

Our Network Sites

Income Tax

Rewards

Events

CA Online Classes



[About](#) [We are Hiring](#) [Media Coverage](#) [Advertise](#) [Terms of Service](#) [Disclaimer](#) [Privacy Policy](#) [Contact Us](#)

© 2020 CAclubindia.com. India's largest network for Finance Professionals.

