

No deduction to be made in certain cases.

197A. (1) Notwithstanding anything contained in [***] section 194 [***] [or section 194EE], no deduction of tax shall be made under any of the said sections in the case of an individual, who is resident in India, if such individual furnishes to the person responsible for paying any income of the nature referred to in [***] section 194 [***] or, as the case may be, section 194EE, a declaration in writing in duplicate in the prescribed form and verified in the prescribed manner to the effect that [the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be *nil.*]

[(1A) Notwithstanding anything contained in ¹[section 192A or section 193 or section 194A or section 194DA] or section 194K, no deduction of tax shall be made under [any] of the said sections in the case of a person (not being a company or a firm), if such person furnishes to the person responsible for paying any income of the nature referred to in ²[section 192A or section 193 or section 194A or section 194DA] or section 194K, as the case may be, a declaration in writing in duplicate in the prescribed form and verified in the prescribed manner to the effect that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be *nil.*]

[(1B) The provisions of this section shall not apply where the amount of any income of the nature referred to in sub-section (1) or sub-section (1A), as the case may be, or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income-tax.]

[(C) Notwithstanding anything contained in ³[section 192A or section 193 or section 194 or section 194A or section 194DA] or section 194EE or section 194K or sub-section (1B) of this section, no deduction of tax shall be made in the case of an individual resident in India, who is of the age of [sixty] years or more at any time during the previous year [***], if such individual furnishes to the person responsible for paying any income of the nature referred to in ⁴[section 192A or section 193 or section 194 or section 194A or section 194DA] or section 194EE or section 194K, as the case may be, a declaration in writing in duplicate in the prescribed form and verified in the prescribed manner to the effect that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be *nil.*]

[(1D) Notwithstanding anything contained in this section, no deduction of tax shall be made by the Offshore Banking Unit from the interest paid—

- (a) on deposit made on or after the 1st day of April, 2005, by a non-resident or a person not ordinarily resident in India; or
- (b) on borrowing, on or after the 1st day of April, 2005, from a non-resident or a person not ordinarily resident in India.

Explanation.—For the purposes of this sub-section "Offshore Banking Unit" shall have the same meaning as assigned to it in clause (u) of section 2 of the Special Economic Zones Act, 2005.]

¹ Substituted with effect from June 1, 2015

² Substituted with effect from June 1, 2015

³ Substituted with effect from June 1, 2015

⁴ Substituted with effect from June 1, 2015

[(1E) Notwithstanding anything contained in this Chapter, no deduction of tax shall be made from any payment to any person for, or on behalf of, the New Pension System Trust referred to in clause (44) of section 10.]

[(1F) Notwithstanding anything contained in this Chapter, no deduction of tax shall be made from such specified payment to such institution, association or body or class of institutions, associations or bodies as may be notified by the Central Government in the Official Gazette, in this behalf.]

(2) The person responsible for paying any income of the nature referred to in sub-section (1) [or sub-section (1A)] [or sub-section (1C)] shall deliver or cause to be delivered to the [[*Principal Chief Commissioner or*] Chief Commissioner or [*Principal Commissioner or*] Commissioner] one copy of the declaration referred to in sub-section (1) [or sub-section (1A)] [or sub-section (1C)] on or before the seventh day of the month next following the month in which the declaration is furnished to him.]