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INCOME-TAX ACT, 2025

Chapter XII: MODE OF PAYMENT IN CERTAIN CASES, ETC.

Section 186 - Mode of undertaking transactions.

(1) No person shall receive an amount of ₹ 200000 or more––

(a) in aggregate from a person in a day; or

(b) in respect of a single transaction; or

(c) in respect of transactions relating to one event or occasion from a person,

except through—

(i) an account payee cheque; or

(ii) account payee bank draft; or

(iii) electronic clearing system through a bank account; or

(iv) any other electronic mode, as may be prescribed.

(2) Sub-section (1) shall not apply to—

(a) any receipt by Government, any banking company, post office savings bank or co-operative bank;

(b) transactions of the nature referred to in section 185;

(c) such other persons or class of persons or receipts, as may be notified by the Central Government.

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