

Form No. 121 – Frequently Asked Questions

Form of Declaration under section 393(6) of the Income-tax Act, 2025 for receipt of certain incomes without deduction of tax

Name of form as per I.T. Rules, 1962	15G & 15H	Name of form as per I.T. Rules, 2026	121
Corresponding section of I.T. Act, 1961	197A(1), 197A(1A) & 197A(1C)	Corresponding section of I.T. Act, 2025	393(6)
Corresponding Rule of I.T. Rules, 1962	29C	Corresponding Rule of I.T. Rules, 2026	211

1. What is Form No. 121 and its purpose?

Ans: It is a declaration by a taxpayer to the effect that tax on his estimated total income for Tax year will be NIL, with a view to avoid deduction of tax at source. It is required to be submitted to the concerned payer. Based on such declaration, the payer will not deduct tax on income or credit due to the taxpayer.

2. Has the Form No. 121 replaced the existing Forms 15G & 15H?

Ans: Yes, the new Form No. 121 has replaced the earlier Forms 15G & 15H. Now, both type of taxpayers i.e. tax payers below the age of 60 as well as taxpayers of the age of 60 and above, will use Form No. 121 for submitting declaration in order to avoid relevant income from being subjected to TDS.

3. What types of income are covered in the declaration made in Form No. 121?

Ans: The following types of income are covered for the purpose of Form No. 121: PF withdrawals and Pension, Insurance Commission, Rent, Interest on deposits, Income from Mutual Funds, Payments in respect of Life Insurance Policy, Dividend etc.

4. Is filing of Form No. 121 mandatory?

Ans: No. It is meant to be used only by those taxpayers who do not want tax to be deducted at source, subject to meeting certain conditions as their estimated total income for Tax Year is likely to be NIL. Declaration in Form No. 121 needs to be filed for every Tax Year separately, as required.

5. Who is eligible to use Form No. 121?

Ans: Resident Individuals both below 60 years and 60 years or above, HUFs, and other specified entities meeting stipulated criteria. Companies and Firms are not eligible to file Form No. 121. Non-residents are not eligible to file this form.

6. Is the declaration in Form No. 121 required to be submitted to each payer?

Ans: Yes, declaration needs to be submitted by the declarant in **Part A of Form No. 121** to each payer responsible for paying income or sum.

7. Is PAN mandatory?

Ans: Yes, quoting of PAN is a mandatory requirement for submission of declaration in **Part A of Form No. 121** by the declarant. In the absence of PAN, the declaration is invalid and the payor is required to deduct TDS at the applicable rate as per Income-tax Act, 2025.

8. What is the time limit for furnishing Form No. 121 to the payer?

Ans: The declarant must furnish the declaration in Form No. 121 to the payer before the scheduled transaction date.

9. What are the modes of submission of the Declaration in Part A of Form No. 121 by the declarant?

Ans: Submission of declaration by the declarant to the payer can be made in paper form, or online if any such facility is provided by the payer.

10. What is the mode of submission of the copy of declaration(s) in Part B of Form No. 121 by the payer?

Ans: The copy of declaration(s) by the payer shall be furnished electronically on the e-filing portal of the Income-tax Department.

11. Are the payers required to report the transactions on which tax is not deducted as a result of receipt of a declaration?

Ans: Yes. The payer is required to report the details of such transactions in the quarterly TDS statement in Form No. 140.

12. If a person has income accruing from multiple payers, is he required to submit the declaration with each payer?

Ans: Yes. The declarant is required to submit the declaration with each payer.