

F. No. 65-02/2023-LI
भारत सरकार/**Government Of India**
संचार मंत्रालय/**Ministry of Communications**
डाक विभाग/**Department of Posts**
डाक जीवन बीमा निदेशालय/**Directorate of Postal Life Insurance**

चाणक्यपुरी डाकघर परिसर,
नई दिल्ली - **110021**
दिनांक: **04.02.2026**

To
All Heads of Circles

Subject: Guidelines regarding submission of Form 15G/15H during claim settlement of PLI & RPLI - reg.

Sir/Madam,

This is regarding TDS applicability on any kind of payment claims of PLI & RPLI with the submission of form 15G/15H by the insurant.

2) In this regard, it is intimated that the functionality of TDS applicability with the submission of 15G/15H form by the insurant on any kind of payment claims of PLI/RPLI has been deployed in the McCamish system on 14.01.2026. An understanding document (Annexure-I & II) is enclosed for ready reference.

3) It is, therefore, requested that the same may be brought into the notice of all field units for their information and reference.

This issues with the approval of the Competent Authority.

Encl: As above.

Digitally signed by
Nitish Gaur (नितीश गौर)
Date: 04-02-2026
10:25:17

Copy to-

- i) DDM-I / II / III, PLI Directorate, New Delhi - for information and n/a.
- ii) Section Officer, PLI Directorate, New Delhi - for information and n/a.

Process flow to update 15G/15H declaration form availability

1. Insurant may submit applicable "Form 15G or 15H" at DOP counter/office.
2. DOP user (DE/QC/CH) need to select **15G/15H declaration form submitted by the Insurant- Yes/No** manually on each applicable claim processing screens based on 15G/15H declaration form availability.
3. TDS amount will not be deducted from the claim amount if DOP user select **Yes** to "**15G/15H declaration form submitted by the Insurant**" and PAN is available on the policy.
4. If **No** selected, then TDS will be calculated as per existing rule. (Rule mentioned in Annexure-II).
5. When the user selects "**Yes**" on the Form 15G/15H declaration and clicks the **Continue** button, the system will verify whether a **PAN** is available on the policy.

a. **If PAN is available:**

The system will allow the user to proceed, and **TDS will not be calculated.**

b. **If PAN is not available:**

The system will restrict further progress and display the following error message:

Error Message:

PAN is not available on the policy. Submission of PAN is mandatory along with Form 15G/15H.

6. If DOP user does not select "Yes or No on *15G/15H declaration form submitted by the Insurant*" then user not be able to proceed further and not be able to continue/submit the request to next stage/section and below error message appear on the screen next to the new field.

Error Message: *At least one of the option should be selected

7. Submission of PAN is mandatory along with 15G/15H form.
8. No TDS will be calculated and deducted if the insurant/payee submits the declaration form 15G/15H under IT Act to DOP along with valid PAN card.
9. Calculation of TDS will depend on selection of 15G/15H form and PAN number availability on the policy.

Annexure-II

TDS applicability for any kind of payment of PLI & RPLI with the provision of submission of 15G/15H declaration Form by the Insurant with illustrations

The TDS is applicable on any kind of payment of PLI & RPLI as per Section 194DA of Income Tax Act to be read with Section 10(D) of 10. The TDS shall be applicable on the following amounts with rate mentioned against each but no TDS will be deducted if the insurant submits the declaration Form 15G/15H:

Type of Payment	Applicability	Rate of TDS
1) Any sum received on the death of a person.	TDS is not applicable.	NA
2) The aggregate amount of any kind of payment (e.g. maturity, surrender & Loan) during a financial year is less than Rs. 1 lakh.	TDS is not applicable.	NA
3) The aggregate amount of any kind of payment (e.g. maturity, surrender & Loan) will draw tax if the total amount during a financial year is more than Rs. 1 Lakh except a) Policy is issued before 1 st April 2003 b) Policy is issued between 1 st April 2003 and 31 st March 2012	a) TDS is not applicable. b) I) If the premium paid during any year does not exceed 20% of the capital sum	NA NA

<p>c) Policy is issued on between 1st April 2012 and 31st March 2023</p>	<p>assured, then TDS will not be applicable</p> <p>II) If the premium paid during any year exceeds 20% of the capital sum assured, then TDS will be applicable</p> <p>c) I) If the premium paid during any year does not exceed 10% of the capital sum assured, then TDS will not be applicable.</p> <p>II) If the premium paid during any year exceeds 10% of the capital sum assured, then TDS will be applicable.</p>	<p>@2% on the difference of the total payout amount and premium paid w.e.f. 01.10.2024.</p>
<p>d) Policy is issued on or after 1st April 2023</p>	<p>d)(I) If the Annual Premium paid for any of the previous years during the term of such policy does not exceed Rs. 5,00,000, then TDS will not be applicable.</p> <p>(II) If the Annual Premium paid for any of the previous years during the term of such policy exceeds Rs. 5,00,000, then TDS will be applicable.</p>	<p>@2% on the difference of the total paid amount and premium paid w.e.f. 01.10.2024.</p>

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Practical Cases:

1) On Maturity claim:

a) Policy is procured during 1st April 2003 to 31st March 2012

Sum Assured: 5 Lakh

Policy Term: 14 Years

Monthly Premium: 3560

Yearly premium: $3560 \times 12 = 42720/-$

20% of capital sum assured = 100000/-

Maturity Amount: 756000/-

*As the annual premium payable is less than 20% of capital sum assured, no TDS to be deducted from the maturity value.

b) Policy is procured between 1st April 2012 and 31st March 2023

Sum Assured: 8 lakh

Policy Term: 10 Years

Monthly Premium: 7350

Yearly premium: $7350 \times 12 = 88200/-$

10% of capital sum assured = 80000/-

Maturity Amount: 1214000/-

*As the annual premium payable is more than 10% of capital sum assured, TDS is applicable as follows:

(Total maturity value – Total premium paid) *2%

$(1214000 - 882000) \times 2\% = 6640/-$

Note: No TDS will be deducted if the insurant submits the declaration Form 15G/15H under IT Act.

2) On Surrender claim:

a) Policy is procured during 1st April 2003 to 31st March 2012

Sum Assured: 7 Lakh
Policy Term: 20 Years
Monthly Premium: 2889
Yearly premium: $2889 \times 12 = 34668/-$
20% of capital sum assured = $140000/-$
Surrendered Amount: 250000/-

*As the annual premium payable is less than 20% of capital sum assured, no TDS to be deducted from the surrendered value.

b) Policy is procured between 1st April 2012 and 31st March 2023

Sum Assured: 5 lakh
Policy Term: 6 Years
Monthly Premium: 10497
Yearly premium: $10497 \times 12 = 125964/-$
10% of capital sum assured = $50000/-$
Surrendered Amount: 495000/-

*As the annual premium payable is more than 10% of capital sum assured, TDS is to be deducted as follows:

- (i) (Total surrendered value – Total premium paid) *2% if (Total surrendered value – Total premium paid) value is positive.
- (ii) No TDS to be deducted if (Total surrendered value – Total premium paid) value is negative.

Note: No TDS will be deducted if the insurant submits the declaration Form 15G/15H under IT Act.

3) a) Policy is procured on or after 1st April 2023

Sum Assured: 10 lakh
Policy Term: 10 Years
Monthly Premium: 12,000
Yearly premium: $12000 \times 12 = 1,44,000/-$
Maturity Amount: 15,20,000/-

*As the annual premium payable is less than 5,00,000, no TDS to be deducted from the maturity value.

b) Policy is procured on or after 1st April 2023

Sum Assured: 30 lakh

Policy Term: 7 Years

Monthly Premium: 45,000

Yearly premium: $45000 \times 12 = 5,40,000/-$

Maturity Amount: 40,92,000/-

*As the annual premium payable is more than 5,00,000, so TDS will be applicable as follows:

(Total maturity value – Total premium paid) *2%

$(4092000 - 3780000) * 2\% = 6240/-$

Note: No TDS will be deducted if the insurant submits the declaration Form 15G/15H under IT Act.

**Loan amount is not taxable, but if a customer surrenders a policy after taking loan in that policy within the same financial year, then only TDS will be applicable.