[Your Company Letterhead] [Date] [Recipient's Name] [Recipient's Address] [City, State, Zip Code] Subject: Notification of Non-Deduction of TDS Dear [Recipient's Name], This letter is to inform you that TDS (Tax Deducted at Source) will not be deducted for the payment pertaining to [nature of service/product] provided by you for the period of [specific time frame]. As per the applicable provisions of the Income Tax Act, [mention relevant section if applicable], our organization has determined that no TDS deduction is required for this transaction due to [state reason, e.g., exemption status, threshold limit, etc.]. We appreciate your understanding in this matter and assure you that all required documentation is retained for our records. Should you have any queries or require further clarification, please feel free to contact us at [your contact information]. Thank you for your cooperation. Sincerely, [Your Name] [Your Position] [Your Company Name] [Your Company Address] [Your Phone Number] [Your Email Address]