

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

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PRESS RELEASE

**Central Government relaxes provisions of TCS under section 206C(1G) of the Income-tax Act, 1961 in respect of non-resident individuals visiting India**

Section 206C (1G) of the Income-tax Act, 1961 (“the Act”) provides for collection of tax by a seller of an overseas tour programme package from a buyer, being a person purchasing such package, at the rate of 5% of the amount of the package.

Representations were received from domestic tour operators who were facing difficulties in collection of tax from non-resident individuals visiting India who were booking overseas tour package from such domestic tour operators. Since such persons may not have a PAN, tax is required to be collected at higher rates. Further, such non-residents may find it difficult to furnish their ITR and claim refunds.

In order to remove such difficulties, the Central Government, in exercise of powers conferred under section 206C(1G) of the Act, has specified that the provisions of the said section shall not apply to a buyer being an individual who is not a resident in India in terms of clause (1) and clause (1A) of section 6 of the Act and who is visiting India. Hence, a domestic tour operator is not required to collect tax on sale of overseas tour package to non-resident individuals visiting India.

Notification No. 20 of 2022 dated 30.03.2022 has also been issued and is available on [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in) under the Notification Section.

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