

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION

New Delhi, the 10th October, 2023

G.S.R. 728(E).— In exercise of the powers conferred by clause (vii) of sub-section (1), clause (c) sub-section (5) and sub-section (6A) of section 139A read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. **Short title and commencement.**— (1) These rules may be called the Income-tax (Twenty-fourth Amendment) Rules, 2023.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962, (hereinafter referred to as the principal rules) in rule 114B,—

(a) in the second proviso, for the words “Provided further that any person”, the words “Provided further that any person, not being a company or a firm,” shall be substituted;

(b) after second proviso, the following proviso shall be inserted, namely: —

“Provided also that a foreign company who,—

(i) does not have any income chargeable to tax in India; and

(ii) does not have a permanent account number,

and enters into any transaction referred to at Sl. No. 2 or 12 of the Table, in an IFSC banking unit, shall make a declaration in Form No. 60:”;

(c) in the Explanation, clause (1) shall be re-numbered as (1A) and before the said clause as so re-numbered, the following clause shall be inserted, namely: —

“(1) “IFSC banking unit” means a financial institution defined under clause (c) of sub-section (1) of section 3 of the International Financial Services Centres Authority Act, 2019 (50 of 2019), that is licensed or permitted by the International Financial Services Centres Authority to undertake permissible activities under the International Financial Services Centres Authority (Banking) Regulations, 2020:”;

3. In the principle rules, in rule 114BA, the following shall be inserted at the end, namely:—

“Provided that the provisions of this rule shall not apply in a case,—

(a) where the person, making the deposit or withdrawal of an amount otherwise than by way of cash as per clause (a) or (b), or opening a current account not being a cash credit account as per clause (c) of this rule, is a non-resident (not being a company) or a foreign company;

(b) the transaction is entered into with an IFSC banking unit; and

(c) such non-resident (not being a company) or the foreign company does not have any income chargeable to tax in India.

Explanation.— For the purposes of this rule, “IFSC banking unit” shall have the same meaning as assigned to it in clause (1) of the *Explanation* to rule 114B.”;

4. In the principle rules, in rule 114BB, after the proviso, the following shall be inserted, namely:—

“Provided further that the provisions of this sub-rule shall not apply in a case,—

(a) where the person, making the deposit or withdrawal of an amount otherwise than by way of cash as per Sl. No. 1 or Sl. No. 2 of column (2), or opening a current account not being an cash credit account as per Sl. No. 3 of column (2) of the Table, is a non-resident (not being a company) or a foreign company;

(b) the transaction is entered into with an IFSC banking unit; and

(c) such non-resident (not being a company) or the foreign company does not have any income chargeable to tax in India.

Explanation.— For the purposes of this sub-rule, “IFSC banking unit” shall have the same meaning as assigned to it in clause (1) of the *Explanation* to rule 114B.”;

5. In the principal rules, in the Appendix II, for Form No. 60, the following Form shall be substituted, namely:—

“FORM NO. 60

[See second proviso to rule 114B]

Form for declaration to be filed by any person (other than a company or firm) or a foreign company covered by the third proviso to rule 114B, who does not have a permanent account number and who enters into any transaction specified in rule 114B

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----|--|--|--|----|----------------------------------|----------------|---|---|----|--|---------------|---|--|--|--|--|--|---|---|---|---|---|---|---|---|---|---|---|
| 1 | First Name | | | | | | | | | | | | | | | | | | | 2 | Date of Birth/ Incorporation of declarant | | | | | | | |
| | Middle Name | | | | | | | | | | | | | | | | | | | | D | D | M | M | Y | Y | Y | Y |
| | Surname | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Father’s Name (in case of individual) | First Name | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Middle Name | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Surname | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Flat/ Room No. | | | | 5 | Floor No. | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Name of premises | | | | 7 | Block Name/No. | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Road/ Street/ Lane | | | | 9 | Area/ Locality | | | | | | | | | | | | | | | | | | | | | | |
| 10 | Town/ City | | | | 11 | District | | | | 12 | State | | | | | | | | | | | | | | | | | |
| 13 | Pin code | | | 14 | Telephone Number (with STD code) | | | | | 15 | Mobile Number | | | | | | | | | | | | | | | | | |
| 16 | Taxpayer identification Number in the country of residence (if covered by third proviso) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 17 | Amount of transaction (Rs.) | | | | | | | | 19 | In case of transaction in joint names, number of persons involved in the transaction | | | | | | | | | | | | | | | | | | |
| 18 | Date of transaction | | | | D | D | M | M | | | | | | | | | | Y | Y | Y | Y | | | | | | | |
| 20 | Mode of transaction: <input type="checkbox"/> Cash, <input type="checkbox"/> Cheque, <input type="checkbox"/> Card, <input type="checkbox"/> Draft/Banker’s Cheque, <input type="checkbox"/> Online transfer, <input type="checkbox"/> Other | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 21 | Aadhaar Number issued by UIDAI (if available) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22 | If applied for PAN and it is not yet generated enter date of application and acknowledgement number | | | | D | D | M | M | Y | Y | Y | Y | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | If PAN not applied, fill estimated total income (including income of spouse, minor child etc. as per section 64 of Income-tax Act, 1961) for the financial year in which the above transaction is held | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | a | Agricultural income (Rs.) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | b | Other than agricultural income (Rs.) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | c i | Income chargeable to tax (for a foreign company) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | ii | Income not chargeable to tax (for a foreign company) | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | |
|----|--|---------------|--------------------------------|--|
| 24 | Details of document being produced in support of identify in Column 1 (<i>Refer note overleaf</i>) | Document code | Document identification number | Name and address of the authority issuing the document |
| 25 | Details of document being produced in support of address in Columns 4 to 13 (<i>Refer note overleaf</i>) | Document code | Document identification number | Name and address of the authority issuing the document |

Verification

I, _____, son/ daughter/ wife** of Shri _____, solemnly declare that to the best of my knowledge and belief, the information given in this application and documents, if any, accompanying it are correct and complete and particulars shown therein are truly stated.

2. I further declare that I /applicant does not have a Permanent Account Number and

- my/our/applicant's estimated total income (including income of spouse, minor child etc. as per section 64 of Income-tax Act, 1961) computed in accordance with the provisions of Income-tax Act, 1961 for the financial year in which the above transaction is held will be less than maximum amount not chargeable to tax, or
- the applicant is a foreign company covered by the third proviso to Rule 114B and does not have any income chargeable to tax in India.

3. I also declare that I am making this application for _____ in my capacity as _____ (designation) and I am competent to make this application and verify it. [if applicable]

Verified today, the _____ day of 20_____.

Place: _____

(Signature of declarant)

Notes:

- Before signing the declaration, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable,-
 - in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
 - in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.
- The person accepting the declaration shall not accept the declaration where,-
 - the amount of income of the nature referred to in item 23b exceeds the maximum amount which is not chargeable to tax, unless PAN is applied for and column 22 is duly filled;
 - there is income chargeable to tax shown in item 23c(i) in case of a foreign company.
- Documents which can be produced in support of identity and address (not required if applied for PAN and item 21 is filled):-

| Sl. No. | Nature of Document | Document Code | Proof of Identity | Proof of Address |
|-----------------------------------|---|---------------|-------------------|------------------|
| A. For Individuals and HUF | | | | |
| 1. | AADHAR card | 01 | Yes | Yes |
| 2. | Bank/Post office passbook bearing photograph of the person | 02 | Yes | Yes |
| 3. | Elector's photo identity card | 03 | Yes | Yes |
| 4. | Ration/Public Distribution System card bearing photograph of the person | 04 | Yes | Yes |
| 5. | Driving License | 05 | Yes | Yes |
| 6. | Passport | 06 | Yes | Yes |
| 7. | Pensioner Photo card | 07 | Yes | Yes |
| 8. | National Rural Employment Guarantee Scheme (NREGS) Job card | 08 | Yes | Yes |
| 9. | Caste or Domicile certificate bearing photo of the person | 09 | Yes | Yes |

| | | | | |
|--|--|----|-----|---|
| 10. | Certificate of identity/address signed by a Member of Parliament or Member of Legislative Assembly or Municipal Councillor or a Gazetted Officer as per annexure A prescribed in Form 49A | 10 | Yes | Yes |
| 11. | Certificate from employer as per annexure B prescribed in Form 49A | 11 | Yes | Yes |
| 12. | Kisan passbook bearing photo | 12 | Yes | No |
| 13. | Arm's license | 13 | Yes | No |
| 14. | Central Government Health Scheme /Ex-servicemen Contributory Health Scheme card | 14 | Yes | No |
| 15. | Photo identity card issued by the government./ Public Sector Undertaking | 15 | Yes | No |
| 16. | Electricity bill (Not more than 3 months old) | 16 | No | Yes |
| 17. | Landline Telephone bill (Not more than 3 months old) | 17 | No | Yes |
| 18. | Water bill (Not more than 3 months old) | 18 | No | Yes |
| 19. | Consumer gas card/book or piped gas bill (Not more than 3 months old) | 19 | No | Yes |
| 20. | Bank Account Statement (Not more than 3 months old) | 20 | No | Yes |
| 21. | Credit Card statement (Not more than 3 months old) | 21 | No | Yes |
| 22. | Depository Account Statement (Not more than 3 months old) | 22 | No | Yes |
| 23. | Property registration document | 23 | No | Yes |
| 24. | Allotment letter of accommodation from Government | 24 | No | Yes |
| 25. | Passport of spouse bearing name of the person | 25 | No | Yes |
| 26. | Property tax payment receipt (Not more than one year old) | 26 | No | Yes |
| B. For Association of persons (Trusts) | | | | |
| | Copy of trust deed or copy of certificate of registration issued by Charity Commissioner. | 27 | Yes | Yes |
| C. For Association of persons (other than Trusts) or Body of Individuals or Local authority or Artificial Juridical Person) | | | | |
| | Copy of Agreement or copy of certificate of registration issued by Charity commissioner or Registrar of Cooperative society or any other competent authority or any other document originating from any Central or State Government Department establishing identity and address of such person. | 28 | Yes | Yes |
| D. For a foreign company | | | | |
| 1. | Copy of Certificate of Registration or incorporation issued in the country where the applicant is located, duly attested by authorised officials of IFSC banking unit | 29 | Yes | Yes |
| 2. | Copy of tax identification number issued in the country where the applicant is located, duly attested by authorised officials of IFSC banking unit | 30 | Yes | Yes (if address mentioned in the same) |

4. In case of a transaction in the name of a Minor, any of the above-mentioned documents as proof of Identity and Address of any of parents/guardians of such minor shall be deemed to be the proof of identity and address for the minor declarant, and the declaration should be signed by the parent/guardian.

5. For HUF any document in the name of Karta of HUF is required.

6. In case the transaction is in the name of more than one person the total number of persons should be mentioned in Sl. No. 19 and the total amount of transaction is to be filled in Sl. No. 17.

In case the estimated total income in column 23b exceeds the maximum amount not chargeable to tax the person should apply for PAN, fill out item 22 and furnish proof of submission of application.

[Notification No. 88/2023 F. No. 370142/33/2023-TPL]

SURBENDU THAKUR, Under Secy.

Note:- The principal rules were published vide notification S.O. 969(E), dated the 26th March, 1962 and last amended vide notification G.S.R. 702 (E), dated the 29th September, 2023.