



## Global Business Tax Alert Sharp Insights

Compliances on foreign remittances to undergo a change effective 1 April 2016

**Issue no: GBTA/89/2015**

**In this issue:**

Do you know about Dbriefs?

Contacts

The CBDT has issued a Notification dated 16 December 2015 to substitute the Rules prescribing the information required to be furnished while making payment to a non-resident. The proposed changes shall come into force from 1 April 2016.

The revised Rule 37BB has been notified subsequent to an amendment brought by the Finance Act, 2015 whereby information regarding all foreign remittances are required to be furnished, whether or not such sum was chargeable to tax under the Act.

Unlike the existing Rule 37BB which seeks information only with respect to sums chargeable to tax, the revised Rule 37BB deals separately with sums that are chargeable to tax under the Act, and those that are not liable for tax withholding.

With respect to the reporting requirements in Form 15CA for payments chargeable to tax, the revised Rules require furnishing of information:

- In Part A, where the amount of payment or aggregate of payments in a financial year does not exceed INR 500,000;
- For taxable payments other than cases covered in Part A, in:
  - Part B, where a certificate for lower withholding of tax has been obtained;
  - Part C, where an accountant's certificate is obtained in Form 15CB.

As regards payments which are not chargeable to tax, information is required to be furnished in Part D to Form 15CA. Further, an exemption from the procedures (including filing of Part D to Form 15CA) have also been provided in the following two circumstances where the payments are not chargeable to tax:

1. The remittance is made by an individual under the Liberalised Remittance Scheme of the Reserve Bank of India ('RBI') and does not require RBI's prior approval.
2. The remittance is of the nature as provided in the 'specified list'. It may be noted that the specified list is expanded to cover 33 transactions as against 28 transactions in the current Rule. Notable additions to this list include advance payments against imports and payment towards settlement of import invoices.

The revised Rule requires Form 15CA to be furnished electronically under digital signature or in accordance with procedures to be specified by the Principal Director General of Income-tax (Systems) ('PDGIS'). Form 15CB is also required to be furnished and verified electronically.

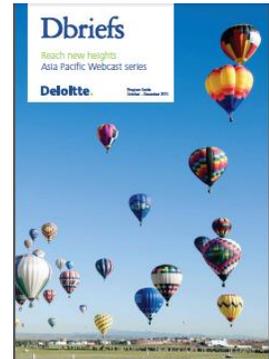
Under the revised Rule, the Authorised Dealers are also required to furnish quarterly statements in Form 15CC to the PDGIS.

The revised Rule is a welcome move providing clarity with respect to payments which are not liable for tax withholding. The increase in the threshold limit to INR 500,000 on an aggregate basis, and exempting certain transactions from reporting requirements, is directed towards balancing the need to obtain the relevant information and reducing the compliance burden.

## Do you know about Dbriefs?

Dbriefs are live webcasts that give valuable insights on important developments affecting your business. To register, visit the [Dbriefs](#) page.

Download report



# Contacts

## Ahmedabad

Heritage, 3rd Floor,  
Near Gujarat Vidyapith,  
Off Ashram Road,  
Ahmedabad – 380 014.  
Tel: + 91 (079) 2758 2542  
Fax: + 91 (079) 2758 2551

## Bangalore

Deloitte Centre, Anchorage II,  
100/2, Richmond Road,  
Bangalore 560 025.  
Tel: +91 (080) 6627 6000  
Fax: +91 (080) 6627 6010

## Chennai

No.52, Venkatanarayana Road,  
7th Floor, ASV N Ramana Tower,  
T-Nagar,  
Chennai 600 017.  
Tel: +91 (044) 6688 5000  
Fax: +91 (044) 6688 5050

## Coimbatore

Shanmugha Manram  
41, Race Course,  
Coimbatore  
Tamil Nadu - 641018  
Tel: + 91 (0422) 439 2801  
Fax: +91 (0422) 222 3615

## Delhi/Gurgaon

Building 10,  
Tower B, 7th Floor,  
DLF Cyber City,  
Gurgaon 122 002  
Tel : +91 (0124) 679 2000  
Fax : + 91 (0124) 679 2012

## Hyderabad

1-8-384 and 385, 3rd Floor,  
Gowra Grand S.P.Road,  
Begumpet,  
Secunderabad – 500 003.  
Tel: +91 (040) 6603 2600  
Fax: +91 (040) 6603 2714

## Kolkata

Bengal Intelligent Park Building Alpha,  
1st floor, Block EP and GP Sector V,  
Salt Lake Electronics Complex,  
Kolkata - 700 091.  
Tel : + 91 (033) 6612 1000  
Fax : + 91 (033) 6612 1001

## Mumbai

Indiabulls Finance Centre,  
Tower 3, 28th Floor,  
Elphinstone Mill Compound,  
Senapati Bapat Marg, Elphinstone (W),  
Mumbai – 400013  
Tel: + 91 (022) 6185 4000  
Fax: + 91 (022) 6185 4101

## Pune

106, B-Wing, 7<sup>th</sup> Floor,  
ICC Trade Tower,  
Senapati Bapat Road,  
Pune – 411 016.  
Tel: + 91 (020) 6624 4600  
Fax: +91 (020) 6624 4605

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

This material and the information contained herein prepared by Deloitte Touche Tohmatsu India LLP (DTTI LLP) is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject(s). This material contains information sourced from third party sites (external sites). DTTI LLP is not responsible for any loss whatsoever caused due to reliance placed on information sourced from such external sites. None of DTTI LLP, Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this material, rendering professional advice or services. This information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this material.

©2015 Deloitte Touche Tohmatsu India LLP. Member of Deloitte Touche Tohmatsu Limited

Registered office: 12, Dr. Annie Besant Road, Opp. Shiv Sagar Estate, Worli, Mumbai – 400 018, India. Deloitte Touche Tohmatsu India Private Limited (U74140MH1995PTC093339), a private company limited by shares, was converted into Deloitte Touche Tohmatsu India LLP (LLP Identification No. AAE- 8458), a limited liability partnership, with effect from October 1, 2015.

[Home](#) | [Add Deloitte as a safe sender](#)

Follow us on:

