

## Revised Rules for Issue of Form 15CA and Form 15CB

The Central Board of Direct Taxes has amended Rule 37BB of the Income tax Rules, 1962 (“the Rules”) with regard to preparation and submission of **Form 15CA** and **Form 15CB** for payment to a non-residents. The amended Rules shall come into effect from **1 April 2016**.

### 1. Form 15CA

- As per the amended Rules, Form 15CA has to be issued in the following cases –

Part A of Form 15CA	If the amount of payment or aggregate of payment during the Financial Year to the non-resident <i>is chargeable to tax in India</i> and <i>it does not exceed Rs. 5 lakhs</i>
Part B of Form 15CA	If the amount of payment or aggregate of payment during the Financial Year to the non-resident <i>is chargeable to tax in India</i> and it exceed Rs. 5 lakhs and <i>an order/certificate under section 195(2)/195(3)/197</i> of the Income tax Act, 1961 has been obtained from the Assessing Officer.
Part C of Form 15CA	If the amount of payment or aggregate of payment during the Financial Year to the non-resident <i>is chargeable to tax in India</i> and it exceed Rs. 5 lakhs and <i>a Certificate from Chartered Accountant in Form 15CB</i> has been obtained
Part D of Form 15CA	If the amount of payment to the non-resident <b>is not</b> chargeable to tax in India

### 2. Form 15CB

- Certificate from Chartered Accountant in Form 15CB will be required to be obtained only if the amount of payment or aggregate of payment during the Financial Year to the non-resident *is chargeable to tax in India and it exceeds Rs. 5 lakhs*

### 3. Form 15CA and 15CB will be **NOT** be required to be furnished if the amount paid to non-resident is not chargeable to tax in India under the provisions of the Income tax Act, 1961 and -

- the remittance is made by an individual and it does not require prior approval of Reserve Bank of India as per the provisions of section 5 of the Foreign Exchange Management Act, 1999 (42 of 1999) read with Schedule III to the Foreign Exchange (Current Account Transaction) Rules, 2000: or
- the remittance is of the nature specified in column (3) of the specified list below

#### SPECIFIED LIST

Sr.No (1)	Purpose Code as per RBI (2)	Nature of Payment (3)
1	S0001	Indian investment abroad-in equity capital (shares)
2	S0002	Indian investment abroad-in debt securities
3	S0003	Indian investment abroad-in branches and wholly owned subsidiaries

4	S0004	Indian investment abroad-in subsidiaries and associates
5	S0005	Indian investment abroad-in real estate
6	S0011	Loans extended to Non-Residents
7	S0101	Advance payment against imports
8	S0102	Payment towards imports-settlement of invoice
9	S0103	Imports by diplomatic missions
10	S0104	Intermediary trade
11	S0190	Imports below Rs.5,00,000-(For use by ECD offices)
12	S0202	Payment for operating expenses of Indian shipping companies operating abroad.
13	S0208	Operating expenses of Indian Airlines companies operating abroad
14	S0212	Booking of passages abroad - Airlines companies
15	S0301	Remittance towards business travel.
16	S0302	Travel under basic travel quota (BTQ)
17	S0303	Travel for pilgrimage
18	S0304	Travel for medical treatment
19	S0305	Travel for education (including fees, hostel expenses etc.)
20	S0401	Postal services
21	S0501	Construction of projects abroad by Indian companies including import of goods at project site
22	S0602	Freight insurance - relating to import and export of goods
23	S1011	Payments for maintenance of offices abroad
24	S1201	Maintenance of Indian embassies abroad
25	S1202	Remittances by foreign embassies in India
26	S1301	Remittance by non-residents towards family maintenance and savings
27	S1302	Remittance towards personal gifts and donations
28	S1303	Remittance towards donations to religious and charitable institutions abroad
29	S1304	Remittance towards grants and donations to other Governments and charitable institutions established by the Governments
30	S1305	Contributions or donations by the Government to international institutions
31	S1306	Remittance towards payment or refund of taxes
32	S1501	Refunds or rebates or reduction in invoice value on account of exports
33	S1503	Payments by residents for international bidding.

#### **4. Electronic filing of Form 15CA and Form 15CB**

- Form 15CA shall be filed electronically under digital signature in accordance with the procedures and thereafter printout of the said form shall be submitted to the authorised dealer, prior to remitting the payment;
- Form 15CB shall also be filed electronically by the Chartered Accountant under the digital signature through the tax professional login id by using the Form 15CB utility file.