

R-9

Computation of income and tax under sections 115A, 115AB, 115AC, 115AD, 115BBA and 115D

Sections	Nature of income	Deductions under sections 28 to 44C and 57	Whether the benefit of computing capital gain in foreign currency as provided by the first proviso to section 48 and the rule of indexation as provided by the second proviso to section 48 are applicable	Deduction under sections 80CCC to 80U	Tax rate [subject to Referencer 10]	Is it necessary to submit return of income
(1)	(2)	(3)	(4)	(5)	(6)	(7)
115A(1)(a)	The following incomes in the case of a non-resident non-corporate assessee or a foreign company— a. dividend* b. interest received from Government or an Indian concern on monies borrowed or debt incurred by Government or the Indian concern in foreign currency c. interest received from an infrastructure debt fund referred to in section 10(47) d. interest as referred to in section 194LC/194LD/194LBA(2) e. income received in respect of units, purchased in foreign currency of a Mutual Fund specified under clause (23D) of section 10 or of the Unit Trust of India	Not available Not available Not available Not available Not available	— — — — —	Not available‡ Not available‡ Not available‡ Not available‡ Not available‡	20 per cent† 20 per cent† 5 per cent† 5 per cent† 20 per cent†	Note 1 Note 1 Note 1 Note 1 Note 1

*It is not applicable in the case of dividend referred to in section 115-O [see para 207.2].

†Plus surcharge and health and education cess.

‡ Deduction under section 80LA is available in the case of a unit of an International Financial Services Centre (applicable from the assessment year 2020-21).

(1)	(2)	(3)	(4)	(5)	(6)	(7)
115A(1)(b)	Royalty or technical fees of a non-resident non-corporate assessee or a foreign company	See Referencer 8	—	See Referencer 8	See Referencer 8	Yes
115AB	The following incomes of an assessee, being an overseas financial organisation—					
	a. income received in respect of units purchased in foreign currency	Not available	—	Not available	10 per cent†	Yes
	b. income by way of long-term capital gains arising from the transfer of units purchased in foreign currency	—	First proviso is applicable but second proviso to section 48 is not applicable	Not available	10 per cent†	Yes
115AC	The following incomes* of a non-resident :					
	a. income by way of interest or dividends (not being dividend referred to in section 115-O), on bonds or Global Depository Receipts of an Indian company issued in accordance with the notified scheme, i.e., Foreign Currency Convertible Bonds and Ordinarily Global Depository Receipts (Through Depository Receipt Mechanism) Scheme, 1993/Issue of Foreign Currency Exchangeable Bonds Scheme, 2008 or on bonds/Global Depository Receipts of a public sector company sold by the Government and purchased by him in foreign currency	Not available	—	Not available	10 per cent†	Note 1
	b. income by way of long-term capital gains arising from transfer of bonds or, as the case may be, shares referred above	—	First and second provisos to section 48 are not applicable	Not available	10 per cent†	Yes
115ACA	Income from Global Depository Receipts held by a resident individual who is an employee of an Indian company engaged in specified knowledge based industry or service** or an employee of its subsidiary engaged in specified knowledge based industry or service					
	• Dividend [other than dividend referred to in section	Not available	—	Not available	10 per cent†	Yes

*Where an assessee acquires shares or bonds, as the case may be, in a resulting or amalgamated company by virtue of his holding shares in the amalgamating or demerged company in accordance with the provisions of section 115AC(1), the provisions of section 115AC(1) shall apply to such shares or bonds.

**Specified knowledge based industry or service means information technology software/services, entertainment service, pharmaceutical industry, bio-technology industry or any other notified industry or service.

†Plus surcharge and health and education cess.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
115AD	115-O]on Global Depository Receipts of an Indian company engaged in specified knowledge based industry/ service issued under notified* employees stock option scheme and purchased in foreign currency • Long-term capital gain on transfer of such receipts	—	First and second provisos to section 48 are not applicable	Not available	10 per cent†	Yes
	The following income of a notified Foreign Institutional Investor*: a. income (not being dividend referred to in section 115-O) received in respect of securities (other than units referred to in section 115AB)	Not available	—	Not available	20 per cent†	Yes
	b. income by way of short-term or long-term capital gains arising from the transfer of such securities	—	First and second provisos to section 48 are not applicable	Not available	Long-term : 10 per cent†, long-term u/s 112A in excess of Rs. 1 lakh : 10 per cent†, short-term u/s 111A: 15 per cent† any other short-term: 30 per cent†	Yes
115BBA(1) (a)**	c. interest referred to in section 194LD (from the assessment year 2014-15)	Not available	—	Not available	5 per cent†	Yes
	The following income of non-resident sportsman who is a foreign citizen i. participation in India in any game (other than a game the winnings wherefrom are taxable under section 115BB) or sports; or	Not available	—	Not available	20 per cent†	Note 1
	ii. advertisement; or	Not available	—	Not available	20 per cent†	Note 1

*For notified institutions, see *Taxmann's Direct Taxes Circulars*, Vol. 2, 2009 edn.

†Plus surcharge and health and education cess.

**Payments made to the umpires of match referees do not come within the purview of section 115BBA because the umpires and match referees are neither sportsmen nor are they non-resident sports associations or institutions so as to attract the provisions contained in section 115BBA—*Indcom v. CIT*[2011] 200 Taxman 40 (Cal).

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	iii. Contribution of article relating to any game or sport in India in newspapers, magazines or journals	Not available	—	Not available	20 per cent†	Note 1
115BBA(1) (b)	Any amount guaranteed to be paid or payable to a non-resident sports association or institution in relation to any game (not being a game referred to in section 115BB) or sports played in India	Not available	—	Not available	20 per cent†	Note 1
115BBA(1) (c)	Income of a non-resident foreign citizen entertainer	Not available	—	Not available	20 per cent†	Note 1
115D	The following incomes of a non-resident Indian or a person of Indian origin :					
	a. investment income from foreign exchange assets	No deduction under any provision	—	Not available	20 per cent†	Note 1
	b. long-term capital gain on transfer of foreign exchange assets	—	First proviso to section 48 is applicable but not the second proviso	Not available	10 per cent†	Note 1

Note 1 : It is not necessary for an assessee referred to in section 115A(1), 115AC(1), 115BBA or 115D to furnish his return of income under section 139(1) if—

- a. his income in respect of which he is assessable under the Act during the previous year consisted only of income referred to in section 115A(1)(a) or 115AC(1)(a) or 115BBA or section 115D; and
- b. the tax deductible at source under the Act has been deducted from such income.

†Plus surcharge and health and education cess.