

## Compilation of Non-Resident Special Rates:

Sr No	Particulars	115A (1 <sup>st</sup> Int)	115A (2 <sup>nd</sup> Int)	115A (3 <sup>rd</sup> Int)
1.	Entity	NR/FC	NR/FC	NR/FC
2.	Payer	Govt/Indian Concern	Infrastructure Debt Fund	Indian Company
3.	Instruments with Timing	Loan in <b>Foreign Currency</b>	Loan in <b>any Currency</b>	Loan + LT Bonds + <b>Foreign Currency</b> (Borrowed between - 1/7/2012 to 30/06/2023) - 5% RDB in <b>any currency</b> issued till 30.06.2023 - 5 % * LT Bonds + RDB + listed in RSE + IFSC from 1.4.2020 till 30.06.2023 - 4 %. From 1.7.2023 - 9%.
4.	Rates of Tax	20% (195)	5% (194LB)	5%/4%/9% (194LC)
5.	Sec 28 to 44C	No	No	No
6.	CH VIA	No. But <b>Sec 80LA</b> Allowed	No. But <b>Sec 80LA</b> Allowed	No. But <b>Sec 80LA</b> Allowed
7.	Set off of Loss	Yes	Yes	Yes
8.	Other Incomes	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed
9.	ROI	No ROI if: (i) Only Int Income ; and (ii) TDS deducted not lower than <b>115A</b> Rates	Same	Same
10.	1 <sup>st</sup> Proviso to Sec 48	NA	NA	NA
11.	2 <sup>nd</sup> Proviso to Sec 48	NA	NA	NA

Sr No	Particulars	115A (4th Int)	115A Royalty & FTS + No PE	44DA Royalty & FTS + PE
1.	Entity	FII/QFI	NR/FC + Agreement + Approved by CG	NR/FC + Agreement + Approved by CG
2.	Payer	Indian Company/ Govt	Indian Concern/Govt	Indian Concern/Govt
3.	Instruments with Timing	RDB + Govt Securities + <b>Any Currency + Int Payable</b> from 1/6/2013 to 30/06/2023.  Municipal Debt Sec + <b>Int Payable</b> from 1/4/2020 to 30/06/2023	Provision of Service for Royalty or FTS + <b>NO PE</b> in India	Provision of Service for Royalty or FTS + <b>PE in India</b>
4.	Rates of Tax	5% (194LD)	20% or DTAA (Lower) 195	Normal Rates 195
5.	Sec 28 to 44C	No	No	Yes **
6.	CH VIA	No. But Sec 80LA Allowed	Yes	Yes
7.	Set off of Loss	Yes	Yes	Yes
8.	Other Incomes	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed
9.	ROI	Same	Same	File ROI Always + Audit
10.	1 <sup>st</sup> Proviso to Sec 48	NA	NA	NA
11.	2 <sup>nd</sup> Proviso to Sec 48	NA	NA	NA

Sr No	Particulars	115AB	115AC	115AD	CH XIIA - 115C to I
1.	Entity	Overseas Financial Org	NR/FC	FII/Specified Fund	NRI
2.	Payer	NA	NA	NA	NA
3.	Instruments with Timing	Units of UTI & MF + <b>Foreign Currency</b>	- Indian Company Bonds + <b>FC.</b> - PSU Bonds sold by Govt + <b>FC.</b> - GDR + <b>FC.</b> (Notified by CG)	Any Securities other than Sec 115AB + <b>Any Currency</b>	Specified Assets in <b>Foreign Currency:</b> (i) Indian Co Shares (Public or Pvt) (ii) Public Co Debentures (iii) Public Co Deposits (iv) Govt Sec
4.	Rates of Tax	Income - 10% LTCG - 10%/12.5% from 23 <sup>rd</sup> July Sec 196B	Int - 10% LTCG - 10%/12.5% from 23 <sup>rd</sup> July Sec 196C	- LTCG - <b>10% even after 23<sup>rd</sup> July</b> - STCG - 30% - 111A STCG - 15%/20% from 23 <sup>rd</sup> July - 112A LTCG - 10%/12.5% with Rs 1.25 lac exempt - <u>Int/Dividend</u> - FII - 20%, SF - 10% - Int u/s 194LD - 5% (196D) <b>Above rates allowed only to the extent units held by NR.</b>	Int - 20% LTCG - 10%/12.5% from 23 <sup>rd</sup> July 112A LTCG - 10%/12.5% from 23 <sup>rd</sup> July, with Rs 1.25 lac exempt  Sec 195 Special exemption u/s 115F for investing NSC. This chapter XII-A is optional.
5.	Sec 28 to 44C	No	No	No	No
6.	CH VIA	No	No	No	No
7.	Set off of Loss	Yes	Yes	Yes	Yes
8.	Other Incomes	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed	Normal Rates. CH VIA also allowed
9.	ROI	File Always	No ROI if:	File Always	No ROI if:

			(i) Only Int Income and; (ii)TDS deducted		(i) Only Int/LTCG and; (ii)TDS deducted
10.	1 <sup>st</sup> Proviso to Sec 48	No	No	No	Yes
11.	2 <sup>nd</sup> Proviso to Sec 48	No	No	No	No

## Notes:

- (1) \* Interest i.r.of Rupee Denominated Bonds mentioned in Sec 194LC is exempt from tax if RDB are issued from 17.09.2018 to 31.03.2019. {Sec 10(4C)}
- (2) \*\* No deduction shall be allowed:
  - (i) in respect of any expenditure or allowance which is not wholly and exclusively incurred for the business of such permanent establishment or fixed place of profession in India
  - (ii) in respect of any amount if any paid by the permanent establishment to its head office or to any of its other offices.

Note: However, deduction shall be allowed in respect of reimbursement of actual expenses incurred by head office or other offices provided that such expenses are incurred for the PE in India.
- (3) As per Sec 10(15)(ix) any income by way of interest payable to a NR by a Unit in an IFSC i.r.of monies borrowed by it on or after 1<sup>st</sup> September, 2019.
- (4) Dividend Income earned by NR or Foreign Company shall be taxable at 20% plus surcharge if applicable and cess. However, if it is received from a unit of IFSC then 10%.
- (5) No MAT will be applicable for Interest, Dividend, Royalty and Capital Gain on Securities if the Normal rate of tax is less than MAT rate i.e 15%.
- (6) All tax rates will be subject to surcharge if applicable & Cess always. However, in case DTAA rate is taken, then no surcharge & cess shall be applied.