

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

NOTIFICATION

New Delhi, the 4th April, 2022

G.S.R. 256(E).— In exercise of the powers conferred by section 89A 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 (6th Amendment), Rules, 2022.

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

2. In the Income-tax Rules, 1962 (hereafter referred to as the principal rules), after rule 21AA, the following rules shall be inserted, namely:—

“21AAA. Taxation of income from retirement benefit account maintained in a notified country – (1) Where a specified person has income accrued in a specified account or accounts, during a previous year relevant to any assessment year beginning on or after the 1st day of April, 2022, such income shall, at the option of the specified person, be included in his total income of the previous year relevant to the assessment year in which income from the said specified account or accounts is taxed at the time of withdrawal or redemption, as the case may be, in the notified country.

(2) Where the option has been exercised by a specified person under sub-rule (1), the total income of the specified person for the previous year in which income is taxable under sub-rule (1) shall not include the income which,—

- (a) has already been included in the total income of such specified person in any of the earlier previous years during which such income accrued and tax thereon has been paid in accordance with the provisions of the Act; or
- (b) was not taxable in India, in the previous year during which such income accrued, on account of,—
 - (i) such specified person being a non-resident, or not ordinarily resident referred to in clause (6) of section 6, during that previous year; or
 - (ii) application of the Double Taxation Avoidance Agreement, if any,

and the foreign tax paid on such income, if any, shall be ignored for the purposes of computation of the foreign tax credit under rule 128.

(3) The option under sub-rule (1) shall be exercised by the specified person in respect of all the specified accounts maintained by the specified person.

(4) In a case where the specified person becomes a non-resident during any relevant previous year, then-

- (i) the option exercised under sub-rule (1) shall be deemed to have never been exercised with effect from the relevant previous year; and
- (ii) the income which has accrued in the specified account or accounts during the period, beginning with the previous year in respect of which the option under sub-rule (1) was exercised and ending with the previous year immediately preceding the relevant previous year, shall be taxable during the previous year immediately preceding the relevant previous year and tax shall be paid on or before the due date for furnishing the return of income for the relevant previous year.

(5) The option to be exercised under sub-rule (1) by the specified person, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2022, shall be in Form No. 10-EE and it shall be furnished electronically under digital signature or electronic verification code on or before the due date specified under sub-section (1) of section 139 of the Act, for furnishing the return of income.

(6) Subject to the provisions of sub-rule (4), the option once exercised for a specified account or accounts in respect of a previous year under sub-rule (1) in Form No. 10-EE shall apply to all subsequent previous years and cannot be subsequently withdrawn for the previous year for which the option was exercised or any previous year subsequent to that previous year.

(7) The Principal Director-General of Income-tax (Systems) or Director-General of Income-tax (Systems), as the case may be, shall specify the procedures, formats and standards for ensuring secure capture and transmission of data and shall be responsible for evolving and implementing appropriate security, archival and retrieval policies in respect of Form No. 10-EE.

Explanation.— For the purposes of this rule,-

- (i) “due date” shall have the meaning assigned to it in Explanation 2 to sub-section (1) of section 139 of the Act;
- (ii) “notified country”, “specified account” and “specified person” shall have the meaning assigned to them in the Explanation to section 89A of the Act;
- (iii) “relevant previous year” shall mean the previous year during which the specified person becomes non-resident subsequent to the previous year in respect of which option under sub-rule (1) has been exercised.”.

3. In the principal rules, in the Appendix-II, after Form No. 10E, the following form shall be inserted, namely :-

“FORM No. 10-EE

[See sub-rule (1) of rule 21AAA]

S. No.															
1.	Name of the specified person	:													
2.	PAN of specified person	:													
3.	Address of specified person	:													
4.	Previous year in respect of which option is being exercised	: yyyy - yyyy													
5.	Details of all the specified accounts maintained by the specified person														
S.No.	Account number <table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> </tr> </table>											Name of Retirement Fund	Name of notified Country < select from drop down>	Balance as on last day of the financial year prior to the previous year for which this Form is being filled	Year in which account opened <dd.mm.yyyy>
(i)	(ii)	(iii)	(iv)	(v)	(vi)										
Specify how the income from specified account is taxable in the notified country (\$) < Select relevant code>	Specify the previous year in which the income from specified account is eligible to be withdrawn (yyyy-yyyy)	Nature of Income (\$\$) < Select relevant code>	Amount of income from the specified account which has already been included in the income of any earlier previous year during which such income accrued as referred to in -clause (a) of sub-rule (2). (in Rs)												

(vii)	(viii)	(ix)	(x)
Specify the previous year or years in which amount referred to in column (x) has been included (yyyy-yyyy)	Amount of Income from the specified account which was not taxable in India due to reasons referred in clause (b) of sub-rule (2) of rule 21AAA (in Rs)	Specify the previous year or years in which amount referred to in column (xii) is exempt on account of the specified person being “non-resident” or “not ordinarily resident” (yyyy-yyyy)	Whether return of income for the previous year referred to in column (xii) was furnished in India? Yes/No (If yes, please quote acknowledgement number)
(xi)	(xii)	(xiii)	(xiv)
6. Details of option being exercised —			
The income accrued in specified accounts as specified in paragraph 5, shall be included in the total income for the previous year relevant to the assessment year in which income from the said specified account has been taxed or taxable in the notified country at the time of withdrawal or redemption			: Yes/No

Declaration

I, _____ (Name in full and in block letters) son/daughter/wife of _____ do hereby declare that to the best of my knowledge and belief what is stated in the form above is correct and complete. I further declare that I am competent to make this declaration and furnish this statement.

2. I hereby declare that I have exercised the option as per paragraph 6 for all the specified accounts mentioned in paragraph 5.

3. I understand that the above option, once exercised for any previous year, cannot be subsequently withdrawn for the previous year for which option is exercised or any previous year subsequent to that previous year.

Place:

Date:

Yours faithfully,

Name.....

Address.....

Note :—

(i) Option once exercised in respect of a previous year, as specified in paragraph 4, shall be applicable to all subsequent years, under sub-rule (6) of rule 21AAA.

(ii) (\$) For column (vii) in paragraph 5, select the following codes:—

Code	
1	Accrual basis
2	Receipt basis
3	Any other basis, specify

(iii) (\$\$) For column (ix) in paragraph 5 select the following codes:

Code	
1	Salary
2	Interest
3	Dividend
4.	Others, specify

(iv) Please attach a copy of statement of the specified account as an evidence of,-

- (a) the account number of all the specified accounts;
- (b) the notified country in which such account has been opened; and
- (c) the balance in the specified account as on last date of the financial year prior to the previous year in which the present Form 10-EE is submitted.

(v) Please attach documentary evidence to show how the income from specified account has been taxed or is taxable in the notified country (relevant statutory provision of the notified country or any other relevant document may be attached).

(vi) Please attach the computation of income for all the previous years [as per column (x) of paragraph 5] in which the income from specified account has already been included in the total income. The computation has to be reconciled with the return of income for the said previous years. A reconciliation statement of the computation of income [as per column (x) of paragraph 5] has to be furnished along with the Form.”.

[Notification No. 24/2022 [F. No. 370142/7/2022-TPL]

NEHA SAHAY, Under Secy.

Note:- Principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) *vide* notification number S.O. 969, dated the 26th March, 1962 and was last amended *vide* notification number G.S.R 252 dated 1st April, 2022