



Income Tax Department
Central Board of Direct Taxes



Declaration of Foreign Assets and Income

Who should Disclose Foreign Asset/Income?

- **Any Resident in India**, who is having foreign income or foreign asset.

Who is Resident Indian?

- An individual, who has stayed 182 days or more in India in any previous year, **or** An individual, who has stayed 365 days or more in India in four preceding years, and 60 days or more in previous year,
- A Hindu Undivided Family (HUF), Firm, or Association of Persons (AOP) is resident in India, except where the control and management of its affairs is situated wholly outside India,
- A company, which is Indian company, or a company having its effective place of management in India.

What is included in foreign income and assets?

- Foreign assets include Foreign Bank Account, Foreign Equity and Debt Interest, Financial Interest in any Entity/ Business, Immovable Property, any other Capital Asset, any beneficial Interest in any of the Foreign Assets, etc.
- Foreign income includes foreign income in form such as interest, dividend, gross proceeds, redemption, others, etc.

Where to disclose?

- By choosing correct ITR form (other than ITR-1 and ITR-4), as applicable, as per your particulars.
- ITR-1 and ITR-4 does not have Schedule FA, Schedule FSI, and Schedule TR.

When to Disclose?

- By declaring in Income Tax Return, applicable, for the Assessment Year, in which taxpayer is resident in India in previous year.
- By filing applicable Return of Income before due date as per Section 139(1) of Income-tax Act, 1961.

Where to disclose foreign assets and income in ITR?

- Schedule FA is for furnishing details of Foreign Assets and Income from any source outside India.
- Schedule FSI is for furnishing details of Income from outside India and tax relief.
- Schedule TR is for providing details of summary of tax relief claimed for taxes paid outside India.

How to Disclose?

- Collate all relevant information about foreign assets (including type of asset, country, address, date of acquisition, current value of asset, cost of acquisition, income generated).
- Collate details of all foreign income (including type of income, amount earned, country, tax paid on foreign income)

- Fill the necessary details in the Schedules applicable, by referring to step-by-step guide available on [incometax.gov.in](https://www.incometax.gov.in)
- Claim tax benefit under Double Tax Avoidance Agreement, if applicable by filling form 67, in addition to Schedule TR.

What to do if Income Tax Return not filed before due date?

- If return not filed, belated return can be filed till 31st December, 2024.
- Foreign Assets and Income have to be declared even if income is below taxable limit.

What to do if Income Tax Return is already filled, but foreign assets and income not declared?

- Revise your return before the due date for revised return, i.e. 31st December, 2024.
- Choose correct ITR form while filing revised return (if earlier ITR-1 or ITR-4 filled).
- Furnish details of foreign income and assets in Schedule FA, Schedule FSI, and Schedule TR.

What are benefits of disclosing Foreign Assets and Income?

- Compliance with disclosure requirement under Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.
- Avoidance of any double taxation, in relation to income earned outside, where taxes are already paid.
- Prevention from penalties relating to non-disclosure and inaccurate particulars under Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

What are Consequences of Non-Disclosure for foreign income and assets?

- Assessment proceedings can be initiated under Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.



- Penalty of Rs.10 lakh can be levied, if the aggregate value of an asset or assets (other than immovable property) exceed twenty lakh rupees:
 - o Where person who has foreign assets and income fails to furnish the return of income, as per Section 42 of BMA, 2015.
 - o Where taxpayer fails to furnish an information or furnish inaccurate particulars about an asset (including financial interest in any entity) located outside India in return of income, as per Section 42 of BMA, 2015.
- Prosecution Proceedings can be initiated under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

For more information:

Samvaad Session on Declaration of Foreign Income and Assets	Step-by-Step Guide on Income Tax Website
	



Directorate of Income Tax

(Public Relations, Publications & Publicity)

6th Floor, Mayur Bhawan, Connaught Circus, New Delhi - 110001

-  Income Tax India
  @incometaxindia.official
  @incometaxindiaofficial
 @IncomeTaxIndia
  @Income Tax India Official

November 2024

Disclaimer: This brochure should not be construed as an exhaustive statement of the law. For details reference should always be made to the relevant provisions in the Acts and the Rules

www.incometax.gov.in | www.incometaxindia.gov.in