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**Newsflash: Form 67 enabled on Income tax e-filing portal for claiming foreign tax credit relief**

## 1.0 Background

A Resident taxpayer (Individual, Companies, Partnership firms, etc.) who have already paid tax in another country on amounts of foreign income and gains, may claim Foreign Tax Credit Relief in India to avoid being taxed twice on the same income.

Foreign Tax Credit Relief is not always available or may not be available on the full amount of foreign tax paid. Such relief is subject to the provisions of the Income-tax Act, 1961 read with Rule 128 of the Income-tax Rules, 1962 and the provisions of the relevant Tax Treaty, if any. The amount of Foreign Tax Credit Relief shall not exceed the Indian tax on the same item of income or gains

For the purpose of claiming Foreign Tax Credit Relief, Form no. 67 was notified on 27 June 2016. This Form is required to be furnished on or before the due date specified for furnishing the return of income by the taxpayer. The taxpayer will be required to attach supporting documents such as certificate specifying the nature of foreign income and the amount of foreign tax deducted therefrom or paid by the taxpayer.

Recently, the Central Board of Direct Taxes ('CBDT') vide its notification no. 9/2017, dated 19 September 2017 has prescribed the procedure for filing Form No. 67.

## 2.0 Procedure for filing Form No. 67

### 2.1 Online filing of Form 67 mandatory for claiming foreign tax credit Relief

All taxpayers who are obliged to file income tax return electronically under section 139(1) and are claiming foreign tax credit are required to prepare and submit form 67 online along with the return of income.

### 2.2 Preparation and Submission of Form 67

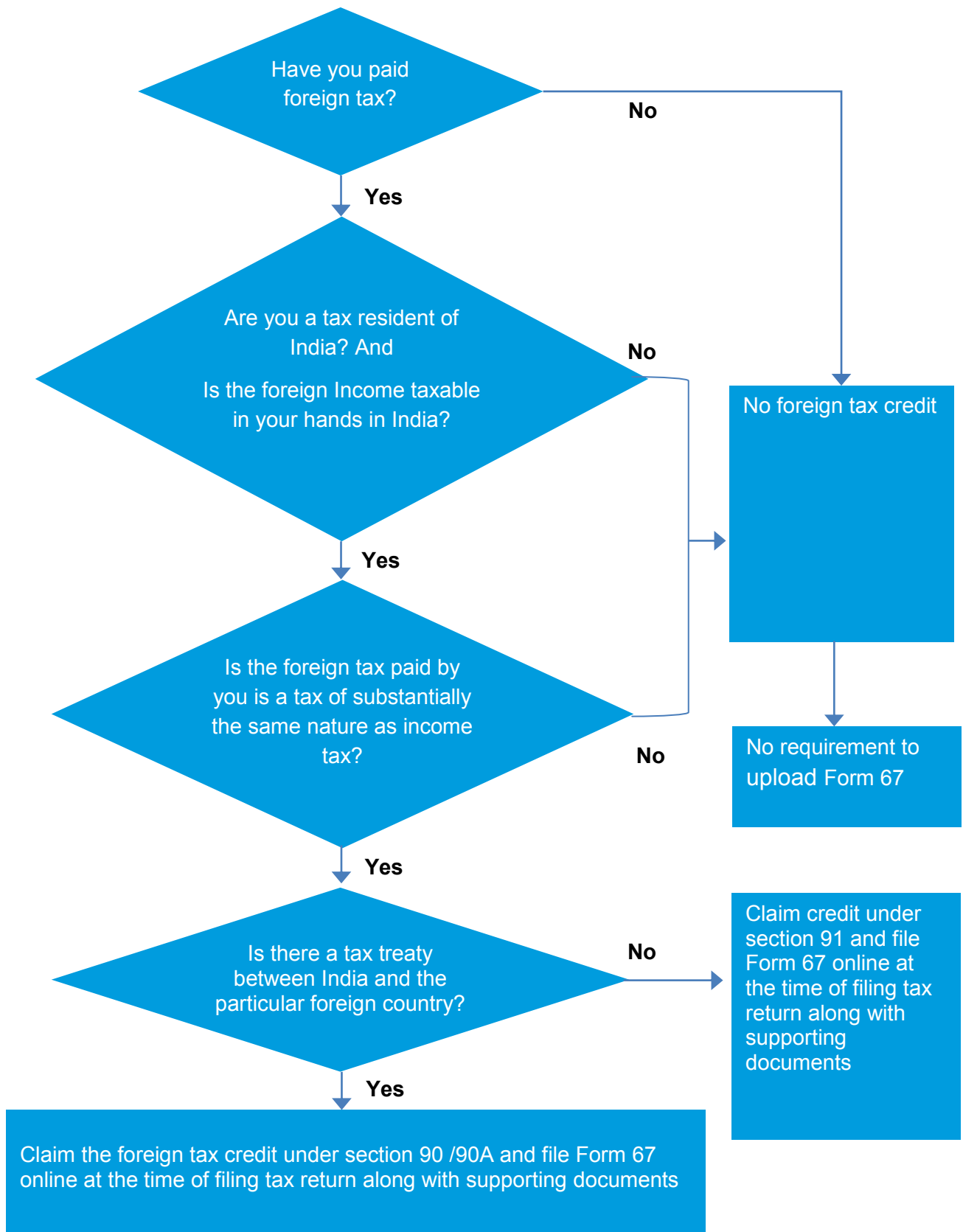
Form 67 can be accessed by all the taxpayer's using their login. The taxpayer is required to login into the **e-filing portal** [<https://incometaxindiaefiling.gov.in>] using their valid credentials.

A link for filing the Form has been provided under "e-File -> Prepare and Submit Online Forms (Other than ITR)". Select form 67 and assessment year from the drop down. Instructions to fill the form are enclosed along with the form. The completed Form 67 can be submitted by clicking on "Submit" button.

Digital Signature Certificate or Electronic Verification Code is mandatory to submit Form 67.

*The flowchart on the next page depicts an overview of foreign tax credit rules.*

3.0 Flowchart illustrating an overview of the foreign tax credit rules\*



\*The flowchart is for quick representation of the foreign tax credit rules and any decision should be based on careful reading and analysis of the relevant legislation.

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This newsflash is general in nature. In this newsflash, we have summarized the draft notification no. 9/2017, dated 19 September 2017 issued by CBDT. It may be noted that nothing contained in this newsflash should be regarded as our opinion and facts of each case will need to be analyzed to ascertain applicability or otherwise of the said notification and appropriate professional advice should be sought for applicability of legal provisions based on specific facts. We are not responsible for any liability arising from any statements or errors contained in this newsflash.

26 September 2017