

Industry seeks easier Income Tax rules for Foreign nationals

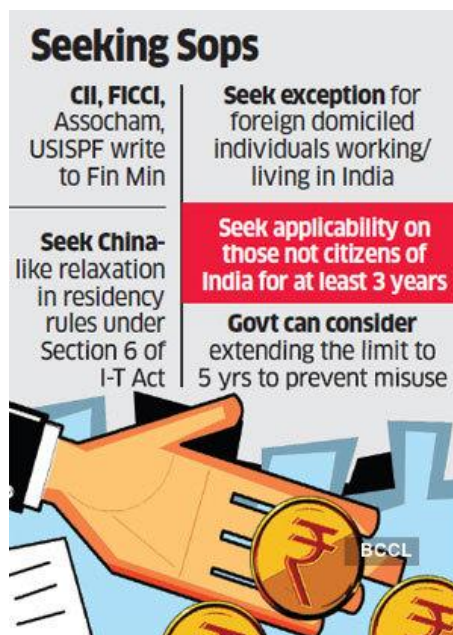
Updated: Oct 26, 2020, 11:43 PM IST

Synopsis

Industry bodies are seeking that India taxes only the local income of foreign nationals or expats staying in India for extended periods for investing or monitoring large amounts of FDI or for bringing in technical and management expertise.

NEW DELHI: Industry bodies including CII, FICCI, Assocham and US India Strategic Partnership Forum (USISPF) have sought exemption from personal tax for foreign domiciled individuals working or living in India but have not been citizens of India for at least three years.

The proposal has been mooted to make India an attractive residency option for foreign nationals managing foreign direct investment (FDI) in India, amid investors looking for alternatives to China for shifting their supply chains. Industry bodies are seeking that India taxes only the local income of foreign nationals or expats staying in India for extended periods for investing or monitoring large amounts of FDI or for bringing in technical and management expertise.



“Such a policy has worked extremely well for Singapore and China, which was able to achieve 4% of its GDP as FDI in its boom phase,” said Dilip Chenoy, secretary general at FICCI, adding that India must act fast to attract global citizens and increase the pool of potential domestic taxpayers who have benefited from FDI. The industry said that India should review the residency rules for individuals who are investors and are adversely impacted due to tax on their global income.

Disclaimer: The content above is taken from the source mentioned

Resource: The Economic Times, 26 Oct 2020

Copyright © 2019 Aparajitha Corporate Services Pvt., Ltd. All Rights Reserved.