

MEMO# 32100

December 13, 2019

India Withdraws Enhanced Surcharge Tax on Capital Assets

[32100]

December 13, 2019 TO: ICI Members

ICI Global Members

Accounting/Treasurers Committee

ICI Global Tax Committee

Tax Committee SUBJECTS: Fund Accounting & Financial Reporting

International/Global

Tax RE: India Withdraws Enhanced Surcharge Tax on Capital Assets

On December 12, 2019, India officially amended the Indian Income-tax Act, 1961 and the Finance (No. 2) Act, 2019 to provide that the enhanced surcharge tax does not apply to capital gains arising on a sale of any security, including derivatives, in the hands of Foreign Portfolio Investors (FPIs).[\[1\]](#)

The enhanced surcharge tax continues to apply to certain categories of income for which ICI Global has requested additional guidance.[\[2\]](#)

Katie Sunderland
Assistant General Counsel

[Attachment](#)

endnotes

[\[1\]](#) See Institute [Memorandum 31976](#), dated September 20, 2019.

[\[2\]](#) See Institute [Memorandum 32097](#), dated December 13, 2019.

should not be considered a substitute for, legal advice.