

MEMO# 32944

November 24, 2020

DRAFT Submission RE Indian 2021 Union Budget - Comments Due Friday, November 27

[32944]

November 24, 2020 TO: ICI Global Tax Committee
Tax Committee RE: DRAFT Submission RE Indian 2021 Union Budget - Comments Due Friday, November 27

As discussed on previous tax committee calls, the Indian Government is seeking input for the 2021 Union Budget. ICI Global intends to submit a letter with recommendations to address the global regulated fund industry's outstanding tax issues, in priority order. The attached draft letter and annexures include comments by our outside Indian tax advisors.

Many of these issues have been raised in prior ICI Global submissions.^[1] Our Indian tax advisors have recommended that we add additional requests concerning Buyback Distribution Tax (BDT) and technical issues pertaining to the new dividend tax regime (*i.e.*, clarification that the dividend stripping provision should be deactivated and, separately, that SPVs of business trusts should be exempt from an obligation to withhold tax on dividends paid to business trusts).

We are still reviewing this draft but sending it the Tax Committee now for review in the interest of time as the submission deadline is November 30, 2020. We are particularly interested in feedback on whether the BDT issue is material for your funds as well as any comments on the priority order of the items. Please send your comments to me at katie.sunderland@ici.org as soon as possible and **no later than close of business on Friday, November 27, 2020**.

Katie Sunderland
Assistant General Counsel

[Attachment No. 1](#)

[Attachment No. 2](#)

[Attachment No. 3](#)

[Attachment No. 4](#)

endnotes

[1] See Institute [Memorandum No. 32097](#), dated December 11, 2019.

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