

MEMO# 34830

January 26, 2023

India: ICI Global Submits Letter Re Indian 2023 Budget Tax Issues

[34830]

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TO: ICI Members

ICI Global Members

Global Regulated Funds Committee

Global Regulated Funds Committee - Asia

Global Tax Committee

Management Company Tax Subcommittee

Tax Committee SUBJECTS: International/Global

Tax RE: India: ICI Global Submits Letter Re Indian 2023 Budget Tax Issues

ICI Global submitted the attached letter to the Indian Government for consideration as they develop the 2023 Union Budget. The letter describes tax issues and proposes recommendations to address the global regulated fund industry's outstanding tax issues.

Many of these issues have been raised in prior ICI Global submissions and include:

- 1) Tax Rate for Interest Income from Specific Investments
- 2) Competitive Tax Rates and Tax Parity Across Similar Assets
- 3) Processing Errors and Rectification Orders
- 4) Tax Status of Foreign Regulated Funds
- 5) Reorganizations Involving Business Trusts and Debt Funds/Multi-Asset Funds
- 6) Clarification on Hierarchy of Capital Loss Offsets
- 7) Off-Market Transfers of Listed Securities
- 8) Tax Re-assessment Period, Audit Issues and Dispute Resolution
- 9) India-Based Fund Manager Regime
- 10) Accept Electronically Signed Documents

11) Significant Economic Presence Provisions

The submission includes annexures with detailed legal analysis and draft legislation to implement the recommendations. There will be a [members-only zoom meeting](#) on Monday, February 13, 2023 at 11:00 am (ET) to discuss India's 2023 Union Budget.

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