

MEMO# 35579

January 12, 2024

FOR REVIEW: Draft Letter on India Tax Issues for 2024 Budget Season

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TO: Global Tax Committee

Tax Committee RE: FOR REVIEW: Draft Letter on India Tax Issues for 2024 Budget Season

Attached for your review is a draft letter with recommendations to address the global regulated fund industry's outstanding tax issues, in priority order for consideration in India's 2024 Union Budget. Below are the specific recommendations, many of which have been raised in prior ICI Global submissions.[\[1\]](#)

- 1) Tax Status of Foreign Regulated Funds
- 2) Reorganizations Involving Business Trusts and Debt Funds/Multi-Asset Funds
- 3) Off-Market Transfers of Listed Securities
- 4) Tax Rate for Interest Income from Specific Investments
- 5) Competitive Tax Rates and Tax Parity Across Similar Assets
- 6) Processing of Rectification Orders and Refunds
- 7) Clarification on Hierarchy of Capital Loss Offsets
- 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

Our Indian tax advisors do not expect any significant changes to the forthcoming 2024 India Union Budget due to upcoming elections. We intend to submit an additional letter with targeted recommendations when the new government is formed.

Please send your comments to me at katie.sunderland@ici.org no later than close of business on Friday, January 19, 2024.

Katie Sunderland
Associate General Counsel

Notes

[1] See [Institute Memorandum 34830](#), dated January 26, 2023.

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