

Circular No. 4/2017

F.No.500/43/2012-FT&TR-IV

Government of India

Ministry of Finance

Central Board of Direct Taxes

January 20th, 2017

CBDT kept the Clarifications on Indirect Transfer provisions under the Income Tax Act, 1961 in abeyance for the time being

Circular No. 41/2016 [F.No.500/43/2012-FT&TR] dated 21.12.2016.

The Central Board of Direct Taxes had issued Circular No. 41/2016 on 21st December, 2016 regarding Indirect Transfer Provisions under the Income Tax Act, 1961.

2. After the issue of Circular No. 41/2016, representations have been received from various FPIs, FIIs, VCFs and other stakeholders. The stakeholders have presented their Concerns stating that the circular does not address the issue of possible multiple taxation of the same income. The representations made by the stakeholders are currently under consideration and examination.

3. Pending a decision in the matter, operation of Circular No. 41 of 2016 dated 21st December, 2016 is kept in abeyance for the time being.

(Dr O N Supriya Rao)

Under Secretary (FT&TR-IV(2))