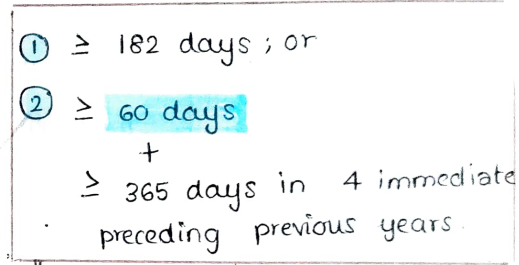
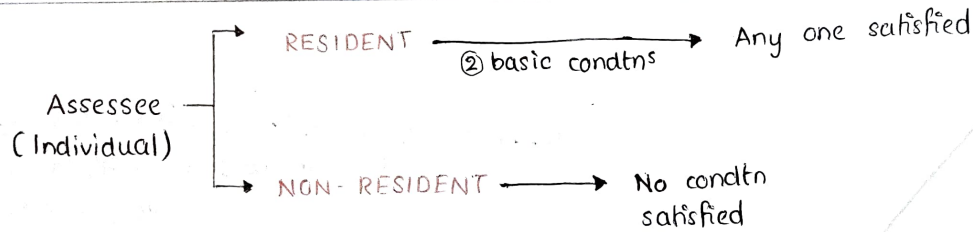


RESIDENCE AND SCOPE OF TOTAL INCOME

Sec 6 : RESIDENTIAL STATUS

Sec 6(i) : RESIDENTIAL STATUS OF INDIVIDUAL



3 Exception Cases

- ① Indian citizen + leaves India + Employment Outside India
 - ② Indian citizen + leaves India + crew member of Indian ship
 - ③ Indian citizen + visit India -
or
Person of Indian origin
- ② not applicable

Indian sourced Total income ≤ 15 lakhs

≥ 182 days

Indian sourced Total income > 15 lakhs

- ① ≥ 182 days ; or
 - ② ≥ 120 days + ≥ 365 days in 4 IPPY
- [RBNOR]**

ROR

RNOR

Any one satisfied

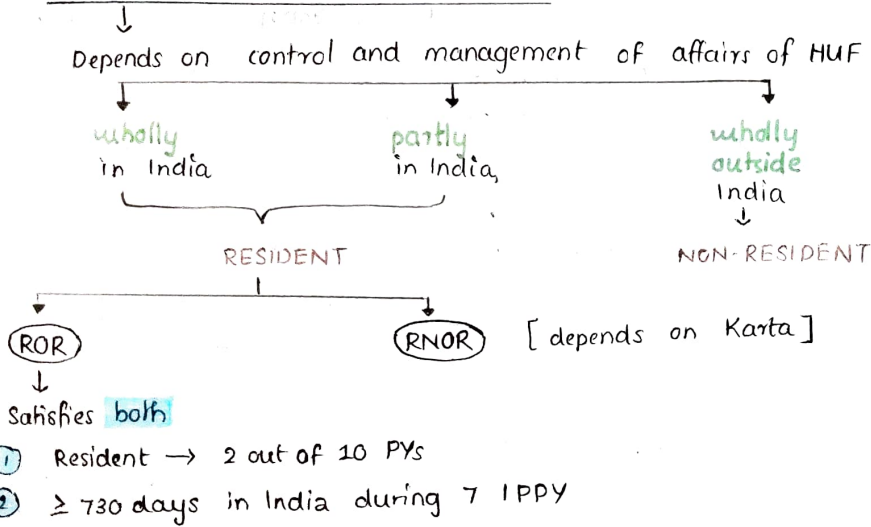
- ① NR \rightarrow 9 out of 10 PY
- ② ≤ 729 days in India in 7 IPPY
- ③ I.C / POI with T.I ≥ 15 lakh \downarrow ≥ 120 days ; but ≤ 182 days.
- ④ I.C + deemed resident u/s 6(1A)

SEC 6(IA) : DEEMED RESIDENT

Deemed ROR/RNOR

Individual + Indian citizen + Total income > ₹15 lakh + not liable to tax in any other country / territory
 [exclude Foreign income] → except income from business controlled in / profession set up in India

RESIDENTIAL STATUS OF HUF



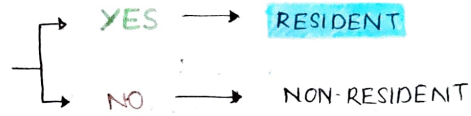
16: castudy. creative - inspiration

SEC 5 : SCOPE OF TOTAL INCOME

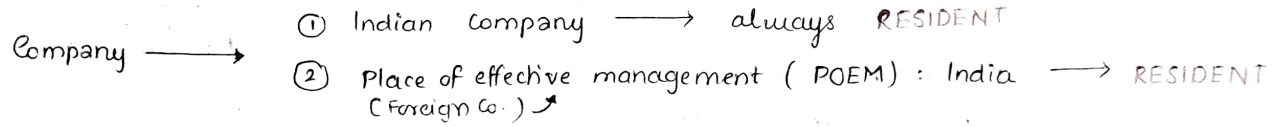
Income	ROR	RNOR	NR
Received or deemed to receive in India	✓	✓	✓
Accrue / Arise / deemed to accrue or arise in India	✓	✓	✓
Accrue / arise outside India	✓ if such income not received in India during py	✓ only if such income derived from business controlled / profession set up in India	✗

RESIDENTIAL STATUS OF FIRMS / AOPs / BOIs / EVERY OTHER PERSON

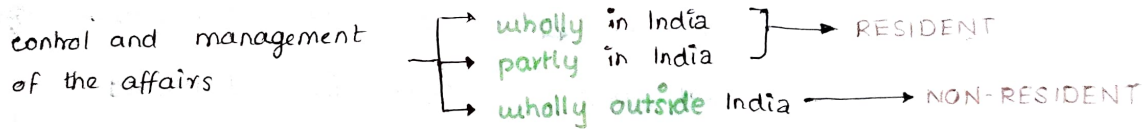
Control and management
of affairs situated
wholly / partly in India



RESIDENTIAL STATUS OF COMPANIES



RESIDENTIAL STATUS OF LOCAL AUTHORITIES AND ARTIFICIAL JURIDICAL PERSON



sec 7: INCOME DEEMED TO BE RECEIVED IN INDIA.

- ① Contribution $\geq 12\%$ of salary → RPF /
Interest credited: $> 9.5\%$ p.a
- ② contribution by CGI / any other person → Pension scheme [u/s SOCCD]
- ③ URPF → amount → RPF [employer's contribution & interest thereon]

16: castudy. creative - inspiration

Sec 9(1): INCOME DEEMED TO ACCRUE / ARISE IN INDIA

- ① Income accrue / arise outside India
 - directly / Indirectly through
 - any business connection in India **
 - any property in India **
 - any asset / source of income in India **
 - transfer of a capital asset situated in India **

- ② Income from salaries earned in India
 - ↳ [salary payable for service rendered in India]

- ③ Salary payable by Govt \rightarrow Indian citizen : for rendering service outside India
 - [Allowances / perquisites paid / allowed outside India by Govt to I.C \rightarrow **EXEMPT**]
 u/s 10(7)

std deduction u/s 16(ia) ₹ 50,000

- ④ Dividend paid by Indian Co. outside India
- ⑤ Interest deemed to accrue / arise in India
 - if payable by
 - government
 - person who is resident in India
 - person who is non-resident
 - [any debt incurred / money borrowed
 - purpose of \downarrow business / profession carried in India]

- ⑥ Royalty
 - if payable by
 - government
 - person who is resident in India
 - person who is non-resident
 - [any right / property / information used for purpose of business / profession carried in India]
 - if LUMP SUM \downarrow not deemed to accrue / arise in India
 - computer software

⑦ Fees for technical service $\xrightarrow{\text{if payable by}}$

- government
- person resident in India
- person who is non-resident

 [services utilized in business/profession carried in India]

⑧ Resident Indian $\xrightarrow{\text{sum of money paid without consideration [> ₹ 50,000]}}$ Non corporate Non resident / foreign company

business connection **

↓
business activities carried out by person on behalf of non resident
↓ is a resident

- ① have authority to conclude contract [contract should be in name of non resident
 - for transfer of ownership
 - for provision of services]
- ② has no such authority but maintains stock of goods or merchandise regularly & delivers goods or merchandise on behalf of NR.
- ③ secures orders in India, mainly / wholly for NR.

NOTE: Agent having independent status are not included in business connection

List of cases

↓
No levy taxes on income accrued/ arise from business connection

- ① Purchase of goods in India for export ✓
- ② Business of Running a News Agency ✓
- ③ Business of shooting cinematograph films in India ✓
- ④ foreign company engaged in business of mining diamonds. ✓

property / asset **
or source of income

Income from

property

- movable
- immovable
- tangible
- intangible

- eg. • Hire charges outside India for use of machinery, building
- Deposit in Indian Co., interest received outside India

Transfer of capital asset **

• capital gains from transfer of capital asset (India)

• irrespective of facts

①

Capital asset

whether

- movable
- immovable
- tangible
- intangible

②

Place of registration of document

whether

- in India
- or
- outside India

③

Place of payment of consideration for transfer

whether

- in India /
- outside India

- Deduction u/s 80TTA ⇒ ₹ 10,000
(Interest on savings bank a/c)

16: [cashtudy.creative](https://www.cashtudy.com) - inspiration