

Government broadens Sec.47(viiab) exemption to cover shares of IFSC-based ETFs and other entities

New Delhi, the 12th September, 2023

[Notification No. 70/2023 F. No. 370142/25/2023-TPL]

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By Notification No. 71/2023 dated September 12, 2023, the CBDT announces additional changes made by the Central Government to broaden the Section 47(viiab) exemption; The following investment instruments covered by Section 47(viiab) of the IFSCA (Fund Management) Regulations, 2022: (i) units of Investment Trusts; (ii) units of Schemes; and (iii) units of Exchange Traded Funds. This notification modifies Notification No. 16/2020 dt. Mar. 5, 2020, and it takes effect right away.

Notably, transactions made by non-residents on a recognised stock exchange situated in any IFSC where the consideration is paid or payable in foreign currency are excluded under Section 47(viiab).

Note: The principal notification was published dated 5th March, 2020, and subsequently amended by Notification No. 89 of 2022 was published dated 03rd August, 2022.



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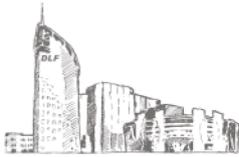
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