



भारत सरकार
Government of India
वित्त मंत्रालय
Ministry of Finance
विदेश कर एवं कर अनुसंधान प्रभाग
Foreign Tax & Tax Research Division
सूचना विनिमय प्रकोष्ठ, भारत
Exchange of Information Cell, India

F.No. 500/44/2016-FT&TR-III

Dated: 26th August, 2016

To,

All the Pr. CCsIT/DGsIT(Inv)

Madam/Sir,

Subject: Format of reporting under Chapter-IX "Exchange of Information under Tax Treaties" of the Central Action Plan 2016-17-reg

Kindly refer to Chapter-IX on Exchange of Information under (EOI) Tax Treaties of the Central Action Plan 2016-17 wherein certain Key Result Areas have been identified by the Board. The Central Action Plan mentions that reports on the action points identified have to be submitted by Pr.CCIT/DGIT(Inv.) to the JS (FT&TR-I) in the prescribed format to be circulated separately.

2. For Key Result Area No. 1 relating to outbound requests sent to foreign countries, quarterly report in respect of clarification and feedback shall be sent in the proforma as per **Annexure A**. Further, For Key Result Area No. 3 relating to inbound EOI requests received from foreign countries, quarterly report shall be sent in proforma as per **Annexure B**.

3. For Key Result Area No. 2 on EOI and confidentiality trainings, the report should be sent by the Pr.CIT/Pr.DIT to the Pr. CCIT/DGIT(Inv.) as and when the training is conducted. The Pr. CCIT/DGIT(Inv.) shall compile the reports and send a consolidated quarterly report to the Board in the proforma as per **Annexure C**.

4. Your kind attention is also invited to Manual on Exchange of Information, particularly Chapter -III and Chapter-IV. Chapter-III deals with "Guidelines for making request for exchange of information". Paragraph 3.10 prescribes the information to be maintained by CIT/DIT concerned. Relevant pages are enclosed. Chapter-IV deals with the "Guidelines for Handling the requests in specific cases from Foreign Tax Authorities". Paragraph 4.6 prescribes the information to be maintained in the office of Director General. Relevant page is enclosed. It is requested that the Pr. CsIT/Pr.DsIT of your charge may be directed to ensure that information is maintained in the prescribed formats.

5. The quarterly reports may be sent to JS(FT&TR-I) by the 30th of the month following the quarter. The report for the first two quarters for F.Y. 2016-17 should be sent by 30th October 2016.

6. This issues with the approval of Chairperson, CBDT.

Encl: as above

Yours faithfully,


(Gaurav Sharma)

Under Secretary, FT&TR-III (1)

Copy to:

The Web Manager of IRS officers online

Annexure A

Quarterly Report for Outbound Exchange of Information (EOI) request

Financial Year: 2016-17

Quarter ending: June/September/December/March

(to be sent by 30th of the month following the quarter)

Part A: Clarification

Number of EOI requests at the beginning of the quarter in which clarification is to be provided to FT&TR division	Number of EOI requests in which clarification has been sought by FT&TR division	Number of EOI requests in which clarification has been provided to the FT&TR division	Number of EOI requests at the end of the quarter in which clarification is to be provided to FT&TR division
(1)	(2)	(3)	(4) = (1)+(2)-(3)

Part B: Feedback

Number of EOI requests at the beginning of the quarter in which feedback is to be sent to FT&TR division	Number of EOI requests in which feedback has been sought by FT&TR division	Number of EOI requests in which feedback has been sent to the FT&TR division	Number of EOI requests at the end of the quarter in which feedback is to be sent to FT&TR division
(5)	(6)	(7)	(8)

(Signature with name)
[Pr. CCIT/DGIT(Inv)]

To,
The Joint Secretary (FT&TR-I),
Room No. 803, "C" Wing, Hudco Vishala Building,
Bhikaji Cama Place, New Delhi – 110066
Email: pragya.saksena@nic.in
FAX: +91-11-26177990

Instruction for filling up Quarterly Report for Outbound EOI request

Part A: Clarification

1. Once the Indian Competent Authority sends a fresh EOI request to the foreign Competent Authority, in many cases, the foreign Competent Authority seeks clarifications on certain aspects of the request made. These clarifications are often fact intensive and can only be provided by the officers making the request and thus are forwarded by the FT&TR division to the Pr. CIT/Pr. DIT making the request. It has been observed that, in many cases, the clarifications are not provided promptly by the field authorities causing long delays in obtaining the information from the foreign Competent Authority. Further, some foreign Competent Authorities treat the requests as "closed" for want of clarifications since such open requests affect their compliance of the internationally agreed standard for timely exchange of information.

2. The Manual on Exchange of Information provides that clarification should be provided **within fifteen days** of receipt of letter in the office of Pr.CIT/Pr.DIT concerned. The CIT/DIT should monitor this aspect on a periodic basis and take appropriate action against the officers concerned wherever required. If the clarifications are sent with considerable delay, the reasons for such delay and the action taken should be mentioned in their covering letter by the Pr. CIT/Pr. DIT concerned. For further details, Chapter-III of Manual on Exchange of Information may be seen.

3. The following instructions may be followed to fill up Part A of quarterly report got outbound EOI request:

- i. In Column No. 1, the number of EOI requests at the beginning of the quarter in which clarification is to be provided to the FT&TR division should be mentioned.
- ii. In Column No. 2, the number of EOI requests in which clarifications have been requested by the FT&TR division during the quarter should be mentioned. This may include such requests where a clarification was sent by field earlier but later another follow up clarification has been asked by the FT&TR division.
- iii. In Column No. 3, number of EOI requests in which clarification has been provided to the FT&TR division during the quarter should be mentioned. This should not include a case in which part clarification has been provided and further clarification on some aspects is still to be provided.
- iv. In Column No. 4, number of EOI request at the end of the quarter in which clarification is to be sent to FT&TR division should be mentioned.

Part B: Feedback

4. It is essential that the information received under the tax treaties is examined by the officers making the request in the first place and it is ascertained whether full and complete information has been received. In case, full and complete information is not received, the matter needs to be taken up immediately with the foreign Competent Authority and a request made for providing the remaining information. After the information has been utilised, the CBDT should know whether the information received has been useful so that guidance may be provided for making future references. The foreign Competent Authority may also need to be apprised of the usefulness or otherwise of the information and appreciating its efforts in appropriate cases. The Pr. CIT/Pr. DIT concerned should, therefore, provide both initial feedback as also feedback on completion of assessment/other proceedings, in accordance with the Chapter-III of the Manual on Exchange of Information. For this report, feedback means the initial feedback in relation to an EOI request.

5. The following instructions may be followed to fill up Part B of the quarterly report for outbound EOI:

- i. In Column No. 1, number of EOI requests at the beginning of the quarter in which feedback is to be sent to FT&TR division should be mentioned.
- ii. In Column No. 2, number of EOI requests in which feedback have been requested by FT&TR division during the quarter should be mentioned.
- iii. In Column No. 3, number of EOI requests in which initial feedback in the prescribed proforma has been provided to the FT&TR division during the quarter should be mentioned.
- iv. In Column No 4, number of EOI requests at the end of the quarter in which feedback is to be sent to the FT&TR division should be mentioned.

Annexure B

Quarterly Report for Inbound Exchange of Information (EOI) request

Financial Year: 2016-17

Quarter ending: June/September/December/March

(to be sent by 30th of the month following the quarter)

Number of inbound EOI requests pending at the beginning of the quarter	Number of fresh EOI requests received from FT&TR division	Number of EOI requests in which final report sent	Number of EOI requests pending at the end of the quarter
(1)	(2)	(3)	(4) = (1)+(2)-(3)

(Signature with name)
[Pr. CCIT/DGIT(Inv)]

To,
The Joint Secretary (FT&TR-I),
Room No. 803, "C" Wing, Hudco Vishala Building,
Bhikaji Cama Place, New Delhi – 110066
Email: pragya.saksena@nic.in
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Instruction for filling up Quarterly Report for Inbound EOI request

Inbound EOI requests are received at FT&TR division from competent authorities of foreign countries under the relevant provisions of DTAA/TIEA/Multilateral Convention. They are, thereafter, forwarded to the concerned income tax authorities for collecting the information for providing to the foreign competent authorities in accordance with the provisions of the relevant treaties. Inbound EOI requests must be given the highest priority by the field officers and all efforts should be made to provide complete information in timely manner. The officer who is given the responsibility of collecting the information must do so within **30 days** of receipt of request in his office. In cases, where the information can be provided by accessing the database of the Income Tax Department, for example, current address or taxes paid in India, the same must be provided within 15 days. For further details, Chapter-IV of **Manual on Exchange of Information** may be seen.

2. The following instructions may be followed while filling up and sending the quarterly report for inbound request:

- i. In the Column No. 1, number of inbound EOI requests pending at the beginning of the quarter should be mentioned.
- ii. In the Column No. 2, number of inbound EOI requests received from FT&TR during the quarter should be mentioned.
- iii. In the Column No. 3, number of inbound EOI requests in which final report have been sent to the FT&TR division during the quarter should be mentioned. While filling this number, the officer who has collected the information must be satisfied that all the requested information has been collected and sent. In case part information has been sent for any request, the same should not be included in this column.
- iv. In the Column No. 4, number of inbound EOI requests pending at the end of the quarter should be mentioned.

Annexure C

Quarterly Report for Exchange of Information and Confidentiality Training

Financial Year: 2016-17

Quarter ending: June/September/December

(to be sent by 30th of the month following the quarter)

Pr. CIT/Pr.DIT who conducted the training	Date of training	Venue of the training	No. of officers who attended the training
(1)	(2)	(3)	(4)

(Signature with name)
[Pr. CCIT/DGIT(Inv)]

To,
The Joint Secretary (FT&TR-I),
Room No. 803, "C" Wing, Hudco Vishala Building,
Bhikaji Cama Place, New Delhi – 110066
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- Whether the information received was useful or not and if it was not useful, the reasons for the same
- How the information received was used in investigation and assessment
- Details of additions made and additional taxes realized
- Tax evasion/avoidance scheme detected, if any
- Any other suggestion for making the mechanism of exchange of information more useful.

3.9.3.2 In appropriate cases, the above information will be summarized in the office of Competent Authority and will be forwarded to the foreign Competent Authority appreciating their efforts in combating tax evasion/avoidance in India. Case studies in appropriate cases may also be prepared for future guidance of the officers of the field formation.

3.10 Information to be Maintained by the CIT/DIT concerned

3.10.1 As stated earlier, in view of the confidentiality requirements, copies of information received should normally not be kept in the office of the CIT/DIT concerned.

3.10.2 However, for the purposes of monitoring and supervision, some basic details should be maintained by the CIT/DIT concerned, both in cases where the requests have been made by his office and also where outstanding requests have been received by him from other charges, e.g. from the Investigation Wing. The basic information should be maintained in the following sample Proforma for each of the requests made by him or forwarded to him by other charges.

Table 3 : Sample Proforma for Maintaining Information by the CIT/DIT concerned for the purposes of Monitoring

1.	File No./Reference No. in the office of CIT/DIT	
2.	Designation of the DDIT/ Assessing Officer	
3.	Designation of the Range/Unit Head	
4.	Country/Jurisdiction to which the reference has been made	
5.	Date of Making the Reference to FT&TR	
6.	Name and address of the taxpayer under examination in India	
7.	PAN of the taxpayer under examination	
8.	Brief description of the request made	
9.	File No./Reference No. in the office of Indian Competent Authority	
10.	Date of making reference by the Indian Competent Authority	

11.	Date(s) of Clarification(s) sought by the Foreign Tax Authority	
12.	Date(s) of Providing the Clarification(s)	
13.	Date(s) of receipt of Information	
14.	Date(s) of providing the initial feedback as per Para 3.9.2.2 of the Manual	
15.	Brief description of closure of request	

3.10.3 It should be noted that the basic information as maintained above by the CIT/DIT concerned are also confidential and the guidelines provided in Chapter-VII shall be applicable in this case also.

3.10.4 This basic information may be captured in a columnar format in a Manual or Electronic register (e.g. in Excel Sheets) under the personal custody of the CIT/DIT concerned and should be monitored by the CIT/DIT concerned especially with regard to providing clarification/ feedback.

3.11 Information to be maintained in the Office of Competent Authority

3.11.1 In the office of the Competent Authority, for each of the outbound requests on "request basis", the following basic information should be maintained.

**Table 4 : Information maintained in the office of Competent Authority
in case of Outbound Requests**

1.	File No./Reference No. in the office of Indian Competent Authority	
2.	Reference Number of foreign Competent Authority	
3.	Designation of the CIT/DIT from whom the request was received	
4.	File No./Reference No. in the office of CIT/DIT who made the request	
5.	Designation of the CIT/DIT who is presently handling the case	
6.	File No./Reference No. in the office of CIT/DIT who is presently handling the case	
7.	Designation of the Range/Unit Head handling the case	
8.	Designation of the DDIT/ Assessing Officer handling the case	

- (d) In case it is an interim report, the likely date by which the full and complete information will be provided should be mentioned
- (e) Point Wise reply to the Questions asked by the foreign Competent Authority reproducing the question and then providing the answer
- (f) Additional information, if any, to be sent to foreign Competent Authority as Spontaneous Exchange of Information
- (g) Annexures as required.

4.5.3 Quality Information and Appreciation by the Foreign Competent Authority

There have been several instances in the past when quality information was provided by officers of the tax department to foreign Competent Authorities under the provisions of the tax treaties. In some cases, letters appreciating our efforts resulting in tackling tax evasion and avoidance in those countries have been received.

4.6 Information maintained in the Office of Director General

4.6.1 For the purposes of monitoring, some basic information should be maintained in the office of the Director General in the following sample Proforma, for each of the requests received from the foreign Competent Authority.

Table 5 : Sample Proforma for maintaining Information in the office of Director General for the purposes of Monitoring

1.	File No./Reference No. in the office of Director General	
2.	Date of receipt in the office of Director General	
3.	File No./Reference No. in the office of Indian Competent Authority	
4.	Country/Jurisdiction from where the request has been received	
5.	Name and designation of the Officer entrusted with the responsibility to collect information	
6.	Date of forwarding to the Officer concerned	
7.	Date of interim report(s) or final report(s) sent by Officer concerned	
8.	Date of closure	

4.6.2 The information may be captured in a columnar format in a Manual or Electronic register (e.g. in Excel Sheets) so as to facilitate monitoring and generation of reports.

4.6.3 It should be noted that the basic information as maintained above are also confidential and the guidelines provided in Chapter-VII shall be applicable in this case also.