

Tax Hotline

November 22, 2000

THE HIGH COURT REFUSES TO GRANT A STAY AGAINST THE CBDT CIRCULAR REAFFIRMING INDIA-MAURITIUS TAX TREATY BENEFITS

The CBDT on April 13, 2000 had issued a circular stating that tax exemption on Capital Gains should be granted to Mauritius-based FIs once they have been given tax residency certificate by the Mauritius Income Tax authorities. This circular was contested through a public interest litigation (PIL) by an NGO Azadi Bachao Andolan.

The Delhi High Court refused to stay the operation of the circular. However, it held that should its final ruling uphold all the writ petitions which challenge the circular, the FIs claiming tax exemption upto that time based on the Board's order would be penalized. The final ruling is scheduled for January 31, 2001.

There were two PILs challenging the circular on the ground that CBDT had wrongly construed the residential status of the FIs who had registered their offices in Mauritius only to gain tax benefits in India under the Tax Treaty. The third petition contends that the CBDT was violating the very fundamentals for which it was granted powers as a statutory body u/s 119 of the IT Act by defending the right of these FIs to claim tax exemption here under the Tax Treaty.

Source: The Economic Times, November 22, 2000

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Research Papers

Handbook on New Labour Codes

April 29, 2024

Compendium of Research Papers

April 11, 2024

Third-Party Funding for Dispute Resolution in India

April 02, 2024

Research Articles

Private Client Insights - Sustainable Success: How Family Constitutions can Shape Corporate Governance, Business Succession and Familial Legacy

January 25, 2024

Private Equity and M&A in India: What to Expect in 2024?

January 23, 2024

Emerging Legal Issues with use of Generative AI

October 27, 2023

Audio

Third-Party Funding: India & the World

April 27, 2024

IBC allows automatic release of ED attachments: Bombay HC reaffirms

April 15, 2024

The Midnight Clause

February 29, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

Q&A 2024 Protocol to the Mauritius India Tax Treaty

April 22, 2024

Boost to India's Space Potential: India Liberalizes Foreign Direct

**Cyber Incident Response
Management**

February 28, 2024