

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:4123
ANSWERED ON:13.08.2015
Tax Benefits to Seafarers
Mahajan Smt. Poonam

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Government proposes to grant status of Non Resident Indian (NRI) to seafarers serving on Indian flagships;
- (b) if so, the details and present status thereof;
- (c) the steps taken by the Ministry to take up the matter with the Central Board for Direct Taxes to frame relevant rules for grant of tax benefits to such seafarers as a result thereof; and
- (d) the details of tax benefits available to the Indian seafarers at present?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)

(a)&(b): The Indian seafarers, working out of India, for 181 days are considered as Non Resident Indians [NRI]. Accordingly, they get the tax benefits applicable to NRIs. However, with a view to provide a uniform method of computation of period of stay in India for the purposes of determination of 'Resident' status in the case of Indian seafarers, whether working on a Indian ships or foreign ship, Union Finance Minister in the Union Budget 2015-16 has announced that an enabling power will be provided to Central Board of Direct Taxes (CBDT) to prescribe the same in the rules.

(c) The Ministry of Shipping has sent written communications to the Department of Revenue for working out the methodology for computation of "Resident" status of seafarers.

(d) Indian seafarers, working out of India for 181 days are considered as Non Resident Indian [NRI] and get tax benefits applicable to NRIs.
