

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB-SECTION (ii)]**

**MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF DIRECT TAXES)**

NOTIFICATION

New Delhi, the 17th June, 2016

No. 47/2016

INCOME TAX

S.O. (E).- In exercise of the powers conferred by sub-section (1F) of section 197A of the Income-tax Act, 1961 (43 of 1961) and in supersession of the notification of the Government of India, Ministry of Finance (Department of Revenue) number S.O. 3069 (E) dated 31st December, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), the Central Government hereby notifies that no deduction of tax under Chapter XVII of the said Act shall be made on the payments of the nature specified below, in case such payment is made by a person to a bank listed in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934), excluding a foreign bank, or to any payment systems company authorised by the Reserve Bank of India under Sub-section (2) of Section 4 of the Payment and Settlement Systems Act, 2007 (51 of 2007), namely :-

- (i) bank guarantee commission;
- (ii) cash management service charges;
- (iii) depository charges on maintenance of DEMAT accounts;
- (iv) charges for warehousing services for commodities;
- (v) underwriting service charges;
- (vi) clearing charges (MICR charges) including interchange fee or any other similar charges by whatever name called charged at the time of settlement or for clearing activities under the Payment and Settlement Systems Act, 2007;
- (vii) credit card or debit card commission for transaction between merchant establishment and acquirer bank.

2. This notification shall come into force from the date of its publication in the Official Gazette.

[Notification No. 47/2016/ F. No. 275/53/2012 – IT(B)]

(Sandeep Singh)
Under Secretary to the Govt. of India

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