

Guidance Note on Form 77 – Statement of Income Distributed by Business Trust to Unit Holder

Name of form as per I.T. Rules, 1962	Form 64B	Name of form as per I.T. Rules, 2026	Form 77
Corresponding section of I.T. Act, 1961	115UA	Corresponding section of I.T. Act, 2025	223
Corresponding Rule of I.T. Rules, 1962	12CA	Corresponding Rule of I.T. Rules, 2026	145

Purpose

Form 77 is an individual unit holder statement provided by Business Trusts (Real Estate Investment Trusts - REITs and Infrastructure Investment Trusts - InvITs) to each unit holder reporting income distributed during the tax year under Section 223 of the Income Tax Act, 2025. Form 77 is furnished under Rule 145 of the Income Tax Rules, 2026.

Who Should File

The person responsible for distributing income on behalf of the Business Trust (typically the Trustee or designated official) must furnish Form 77 to each unit holder. This applies to all SEBI-registered Business Trusts under:

- SEBI (Real Estate Investment Trusts) Regulations, 2014, or
- SEBI (Infrastructure Investment Trusts) Regulations, 2014

Frequency & Due Dates

Filing Type	Period Covered	Due Date for Furnishing
Individual Unit Holder Statement	Tax year	30th June of the financial year immediately following the tax year in which income was distributed

Structure of Form 77

Personal Information of the Unit Holder

Complete details of the unit holder receiving the distribution:

- Name of the unit holder, Permanent Account Number (PAN)
- Tax year, Complete residential address
- Phone Number with STD code, Email Address

Basic Details of the Business Trust

Information about the distributing Business Trust:

- Name of the Business Trust , PAN

Income Distribution and capital Redemption Details

Details of distributed income as interest income; income by way of letting, leasing or renting, income from dividends in cases wherein option u/s 200 is exercised or not exercise and any other income.

Details of amount referred to in section 92(2)(k) [corresponding to section 56(2)(xii) of Income Tax Act, 1961] distributed by the business trust to the unit holder is to be reported in the given table.

Since the Form 77 is to be downloaded as generated by the system after and based on filing of details in Form 76, the reporting compliance is confined to that in Form 76 filing.

Verification and Declaration

The form must be verified by the person responsible for distributing income on behalf of the business trust, declaring that the information provided is correct and complete to the best of their knowledge and belief.

What are the documents required to furnish Form 77

Form 77 is automatically generated from the data filed in Form 76 through the e-filing portal specified by the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems). No separate documents need to be attached to Form 77 as it is a statement derived from the parent Form 76.

Filing Count

Form 77 is furnished by SEBI-registered Business Trusts to each individual unit holder. The total filing count of Form 77 for last five years is 170.

What is the process flow of furnishing Form 77

The process flow includes the following steps:

1. Business Trust distributes income to unit holders during the tax year (quarterly or as per distribution schedule).

2. Business Trust files consolidated Form 76 with the Income Tax Department by 15th June of the following financial year.
3. Upon successful filing of Form 76, the e-filing portal automatically generates individual Form 77 statements for each unit holder based on the unit holder-wise data captured in Form 76.
4. The Business Trust downloads Form 77 statements from the web portal specified by the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems).
5. Form 77 is furnished to each unit holder by 30th June of the financial year following the tax year.

Outcome of Processed Form 77

For Business Trust

- Compliance with statutory requirement to furnish income distribution statements to unit holders.
- Transparency in reporting income classification and distribution amounts to investors.
- Reduced inquiries and clarification requests from unit holders regarding taxation of distributed income.

For Unit Holders

- **Tax Return Filing:** Unit holders use Form 77 to accurately report pass-through income in their Income Tax Returns (ITR-2, ITR-3, ITR-5, ITR-6, or ITR-7) under Schedule PTI (Pass Through Income).
- **Income Classification:** Form 77 provides clear classification of income into interest, rental, dividend, and other income, enabling unit holders to report each category under the appropriate head of income.
- **Tax Compliance:** Timely receipt of Form 77 by 30th June enables unit holders to complete tax calculation and file ITR by 31st July (for individuals not requiring audit).

Brief note on broad or qualitative changes proposed

Key updates in Form 77 under the Income Tax Act, 2025 include the following:

- **Addition of "Date of distribution" field in Parent Form 76:** The date of distribution column was not present in the earlier parent notified Form 64A, but was present in the child Form 64B which is generated by systems from the data of Form 64A. Now the date of distribution field has been added in Form 76.

Challenges and Solutions

1. **Challenge:** The absence of "date of distribution" field in earlier Form 64A created operational difficulties in populating this field in earlier Form 64B, which is required for accurate income reporting.

Solution: The "date of distribution" field has been added in Form 76 itself, enabling seamless auto-population of this critical field in system-generated Form 77 statements.

2. Challenge: Unit holders found it difficult to understand the nature of income distributed (interest, rental, dividend, other income) and how to report it in their ITRs under different heads of income.

Solution: The revised Form 77 provides detailed breakup of income by nature with specific references to Schedule V and Income Tax Act sections, along with clear classification of dividend income based on whether SPV exercised option under section 200, enabling accurate reporting by unit holders.

Common Changes made across Forms

1. To make Forms system-friendly and enable e-filing and uploading, certain anomalies found due to grouping of Name, Designation, Address, PAN have been separated into different boxes.
2. Assessment / Financial / Previous year or years have been replaced with Tax year or years, wherever appearing in the Form.
3. Currency symbol "Rs." has been replaced with "₹".
4. The verification clause has been standardized to include declaration of competence and capacity to furnish the statement.