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"This document contains the provisions of the Income-tax Act, 2025, as amended by the Finance Act, 2026."

FAQs on Gifts received by an individual or HUF

Q1. Are monetary gifts received by an individual or Hindu Undivided Family (HUF) taxable?

Ans: If the following conditions are satisfied, then any sum of money received (i.e, a monetary gift may be received in cash, cheque, draft, etc.) by an individual/ HUF will be charged to tax (*):

a) Sum of money received without consideration; and
b) The aggregate total value of such sum of money received during the year exceeds Rs. 50,000.

(*) Refer to the next FAQ for situations in which sum of money received by an individual or HUF is not charged to tax, i.e., monetary gift is not charged to tax.

Relevant Content

Section – 92

Q2. Are there any cases in which sum of money received without consideration, i.e., monetary gift received by an individual or HUF is not charged to tax?

Ans: If any sum of money is received by an Individual or HUF without any consideration and the aggregate value of which exceeds Rs. 50,000, then the whole of the aggregate value of such sum is chargeable to tax.

However, in the following cases, nothing will be charged to tax in respect of any sum of money received by a person without any consideration if the same is:

1) Received from relatives;
2) Received on the occasion of the marriage of an individual;
3) Received by way of will/inheritance;
4) Received in contemplation of death of the payer/donor;
5) Received from any local authority as defined in the Schedule III (note 6);
6) Received from or by any registered Non - profit organisation as defined in section 355(g), except when received by any person referred to in section 355(h);
7) Received by way of transaction not regarded as transfer under section 70(1)(a), (c), (d), (e), (f), (g), (i), (j), (k), (l), (n), (o), (t), (u), (v) or (w);

8) Received from an individual by a trust created or established solely for the benefit of relative of the individual;
9) Received from such class of persons and subject to such conditions, as may be prescribed **Relevant Content**

   Section - 92

Q3. Gifts received from relatives are exempt from tax. Who will be considered as relative for the purpose of claiming such exemption?

Ans: Gifts received from relatives are exempt from tax under Section 92. The following persons would be considered as relatives: (a) Spouse of the individual;

(b) Brother or sister of the individual;

(c) Brother or sister of the spouse of the individual;

(d) Brother or sister of either of the parents of the individual;

(e) Any lineal ascendant (maternal as well as paternal) or descendent of the individual;

(f) Any lineal ascendant (maternal as well as paternal) or descendent of the spouse of the individual; (g) Spouse of the persons referred to in (b) to (f).

Relevant Content

Section – 92

Q4. Apart from marriage, are there any other occasions on which a monetary gift received by an individual will not be charged to tax?

Ans: Gift received only on the occasion of marriage of the individual is not charged to tax. Apart from marriage, there is no other occasion on which a gift received by an individual is not charged to tax. Hence, gifts received on occasions such as birthdays, anniversaries, etc. will be subject to tax.

Relevant Content

Section - 92

Q5. Are monetary gifts received from friends liable to tax?

Ans: Gifts received from relatives (as defined in the previous FAQ) are not charged to tax.

A friend is not a relative as defined in the list; hence, a gift received from a friend will be subject to tax (if other criteria for taxing gifts are satisfied).

Relevant Content

Section - 92

Q6. Are monetary gifts received from abroad liable to tax?

Ans: If the total value of monetary gifts received during the year by an individual or HUF exceeds Rs. 50,000 and the gifts are not covered under the exceptions prescribed in the preceding FAQ, then gifts, whether received from India or abroad, will be charged to tax.

Relevant Content

Section - 92

Q7. An Individual received different gifts (cash) from his friends; none of the gifts exceeded Rs. 50,000, but the total of the gifts received during the year exceeded Rs. 50,000. What will be the tax treatment in such a case?

Ans: Sum of money received without consideration by an individual or HUF is chargeable to tax, the total of which exceeds Rs. 50,000.

The important point to be noted in this regard is the "total of which". The taxability of the gift is determined on the basis of the total value of the gift received during the year and not on the basis of individual gifts. Hence, if the total value of gifts received during the year exceeds Rs. 50,000, the total value of such gifts will be charged to tax.

Relevant Content

Section - 92

Q8. If the aggregate value of gifts received during the year by an individual or HUF exceeds Rs. 50,000, will the total amount of gifts be charged to tax, or only the amount in excess of Rs. 50,000 will be charged to tax?

Ans: The sum of money received without consideration by an individual or HUF is charged to tax if the total value of such sum received during the year exceeds Rs. 50,000. Once the total value of monetary gifts received during the year exceeds Rs. 50,000, then the value of the gift received during the year will be charged to tax.

Relevant Content

Section - 92

Q9. Are there any cases in which the value of immovable property received by an individual or HUF without consideration (i.e. by way of gift) is not charged to tax?

Ans: Stamp duty on immovable property is chargeable to tax if immovable property is received by an Individual or HUF without any consideration and the stamp duty value exceeds Rs. 50000.

However, in the following cases, nothing will be charged to tax in respect of immovable property received either for less than or more than its stamp duty value:

1) Received from relatives;
2) Received on the occasion of the marriage of an individual;
3) Received by way of will/inheritance;
4) Received in contemplation of death of the payer/donor;
5) Received from any local authority as defined in the Schedule III(note 6);
6) Received from or by any registered non-profit organisation as defined in section 355(g), except when received by any person referred to in section 355(h);
7) Received by way of transaction not regarded as transfer under section 70(1)(a), (c), (d), (e), (f), (g), (i), (j), (k), (l), (n), (o), (t), (u), (v) or (w);

8) Received from an individual by a trust created or established solely for the benefit of relative of the individual;
9) Received from such class of persons and subject to such conditions, as may be prescribed. **Relevant Content**

   Section - 92

Q10. An individual received gift of three properties from his friend. The value of none of the property exceeded Rs. 50,000, but the aggregate value of these three properties exceeded Rs. 50,000. What will be the tax treatment of gift in this case?

Ans: In case of immovable property received without consideration by an individual or HUF, the limit of Rs. 50,000 is to be applied transaction-wise, and all immovable properties received as gift during the year are not to be clubbed for applying the limit of Rs. 50,000. Hence, if the total stamp value of immovable properties received as gift during the year exceeds Rs. 50,000 but the stamp value of none of the property exceeds Rs. 50,000, then nothing will be charged to tax.

Relevant Content

Section - 92

Q11. Apart from marriage, are there any other occasions on which immovable property received by an individual without consideration will not be charged to tax?

Ans: Gift received only on the occasion of marriage of the individual is not charged to tax. Apart from marriage, there is no other occasion on which a gift received by an individual is not chargeable to tax. Hence, gifts received on occasions such as birthdays, anniversaries, etc., will be subject to tax.

Relevant Content

Section - 92

Q12. Are immovable properties received as gifts from friends liable to tax?

Ans: Gifts received from relatives are not charged to tax. Relative for this purpose means:

(a) Spouse of the individual;
(b) Brother or sister of the individual;
(c) Brother or sister of the spouse of the individual;
(d) Brother or sister of either of the parents of the individual;
(e) Any lineal ascendant (maternal as well as paternal) or descendent of the individual;
(f) Any lineal ascendant (maternal as well as paternal) or descendent of the spouse of the individual;
(g) Spouse of the persons referred to in (b) to (f).

Friend is not a relative as defined in the above list, and hence, a gift received from friends will be charged to tax (if other criteria of taxing gifts are satisfied).

Relevant Content

Section - 92

Q13. An Individual received a gift of a flat from his friend. The stamp duty value of the flat is Rs. 84,000. In this case, whether the total value of the gifted property will be charged to tax or only the value in excess of Rs. 50,000 will be charged to tax?

Ans: If the conditions discussed in earlier FAQ (regarding the taxability of gift of immovable property) are satisfied, then the entire value of immovable property received without consideration, i.e., received as gift, will be charged to tax. Once the taxability is attracted, i.e., the value of the property received as a gift exceeds Rs. 50,000, then the entire value of the property is chargeable to tax. Hence, in this case, the entire value of the property, i.e., Rs. 84,000, will be charged to tax.

Relevant Content

Section - 92

Q14. Would any taxability arise if an immovable property is received for less than its stamp duty value?

Ans: If the following conditions are satisfied, then immovable property received by an individual or HUF for less than its stamp duty value will be charged to tax:

1) Any immovable property is acquired by an individual or an HUF.
2) Such property is acquired for a consideration, but the consideration is less than the stamp duty value, and the difference exceeds the higher of
   A) Rs. 50,000 or
   B) 10% of the consideration.

Q15. Are there any cases in which immovable property received by an individual or HUF for less than its stamp duty value is not charged to tax?

Ans: In the following cases, nothing will be charged to tax in respect of immovable property received either for less than or more than its stamp duty value:

- Property received from relatives (*).
- Property received on the occasion of the marriage of an individual;
- Property received by way of will/inheritance;
- Property received in contemplation of death of the donor.
- Property received from any local authority as defined in the Schedule III (note 6);
- Property received from or by any registered Non - profit organisation as defined in section 355(g), except when received by any person referred to in section 355(h);
- Property received by way of transaction not regarded as transfer under section 70(1)(a), (c), (d), (e), (f), (g), (i), (j), (k), (l), (n), (o), (t), (u), (v) or (w);
- Property received from an individual by a trust created or established solely for the benefit of a relative of the individual;
- Property received from such class of persons and subject to such conditions, as may be prescribed.

(*) Relative for this purpose means:

(a) Spouse of the individual;

(b) Brother or sister of the individual;

(c) Brother or sister of the spouse of the individual;

(d) Brother or sister of either of the parents of the individual;

(e) Any lineal ascendant (maternal as well as paternal) or descendent of the individual;

(f) Any lineal ascendant (maternal as well as paternal) or descendent of the spouse of the individual;

(g) Spouse of the persons referred to in (b) to (f).

Relevant Content

Section - 56

Q16. Are gifts of movable property received by an individual or HUF charged to tax?

Ans: If the following conditions are satisfied, then the value prescribed for movable property (*) received by an individual or HUF will be charged to tax:

- Prescribed movable property is received without consideration (i.e., received as gift).
- The aggregate fair market value of such property received by the taxpayer during the year exceeds Rs. 50,000.

In the above case, the fair market value of the prescribed movable property will be treated as income of the receiver.

(*) Prescribed movable property means shares/securities, jewellery, archaeological collections, drawings, paintings, sculptures or any work of art and bullion, being capital assets of the taxpayer and includes Virtual Digital Asset (VDA).

Considering the above definition, nothing will be charged to tax in respect of a gift of any item being movable property other than covered in the above definition, e.g., Nothing will be charged to tax in respect of a television set received as a gift, because a television set is not covered in the definition of prescribed movable property.

($) Refer to the next FAQ for situations in which prescribed movable property received without consideration by an individual or HUF, i.e., received as a gift, is not charged to tax.

Relevant Content

Section - 92

Q17. Are there any cases in which the value of prescribed movable property received without consideration, i.e., received as gift by an individual or HUF is not charged to tax?

Ans: If the conditions given in preceding FAQ are satisfied, then value of prescribed movable property received without consideration, i.e., received as gift by an individual or HUF is charged to tax. However, in the following cases nothing will be charged to tax in respect of prescribed movable property received without consideration:

- Property received from relatives (*).
- Property received on the occasion of the marriage of an individual;

- Property received by way of will/inheritance;
- Property received in contemplation of death of the donor.
- Property received from any local authority as defined in the Schedule III (note 6);
- Property received from or by any registered Non - profit organisation as defined in section 355(g), except when received by any person referred to in section 355(h);
- Property received by way of transaction not regarded as transfer under section 70(1)(a), (c), (d), (e), (f), (g), (i), (j), (k), (l), (n), (o), (t), (u), (v) or (w);
- Property received from an individual by a trust created or established solely for the benefit of relative of the individual;
- Property received from such class of persons and subject to such conditions, as may be prescribed.

(*) Relative for this purpose means:

(a) Spouse of the individual;

(b) Brother or sister of the individual;

(c) Brother or sister of the spouse of the individual;

(d) Brother or sister of either of the parents of the individual;

(e) Any lineal ascendant (maternal as well as paternal) or descendent of the individual;

(f) Any lineal ascendant (maternal as well as paternal) or descendent of the spouse of the individual;

(g) Spouse of the persons referred to in (b) to (f).

Relevant Content

Section – 92

Q18. An individual received gift of jewellery from his friends. The total value of jewellery received during the year as gift from all the friends amounted to Rs. 84,000. What will be the tax treatment of gift in this case?

Ans: If the aggregate fair market value of prescribed movable property received by an individual or HUF without consideration during the year exceeds Rs. 50,000, then the total value of such properties received during the year without consideration will be charged to tax. In this case, the total value of jewellery received during the year exceeds Rs. 50,000 and hence, Rs. 84,000 will be charged to tax.

Relevant Content

Section - 92

Q19. Does any taxability arise if prescribed movable property is received by an individual or HUF for less than its fair market value?

Ans: If the following conditions are satisfied, then prescribed movable property (*) received by an individual or HUF will be charged to tax:

- Prescribed movable property is acquired by an individual or HUF.
- The aggregate fair market value of such properties acquired by the taxpayer during the year exceeds the consideration of these properties by more than Rs. 50,000.

In other words, the aggregate fair market value of all such properties is higher than the consideration and the difference is more than Rs. 50,000.

(*) Prescribed movable property means shares/securities, jewellery, archaeological collections, drawings, paintings, sculptures or any work of art bullion or virtual digital asset.

Considering the above definition, nothing will be charged to tax if any movable property (other than those covered in the above definition) is received for less than its fair market value, e.g., Nothing will be charged to tax in respect of a television set received for less than its fair market value because a television set is not covered in the definition of prescribed movable property.

($) Refer to the next FAQ for situations in which prescribed movable property received for less than its fair market value is not charged to tax.

Relevant Content

Section - 92

Q20. Are there any cases in which prescribed movable property received for less than its fair market value by an individual or HUF is not charged to tax?

Ans: In the following cases nothing will be charged to tax in respect of prescribed movable property received for less than its fair market value:

- Property received from relatives (*).
- Property received on the occasion of the marriage of an individual;
- Property received by way of will/inheritance;
- Property received in contemplation of death of the donor.
- Property received from any local authority as defined in the Schedule III (note 6);
- Property received from or by any registered Non - profit organisation as defined in section 355(g), except when received by any person referred to in section 355(h);
- Property received by way of transaction not regarded as transfer under section 70(1)(a), (c), (d), (e), (f), (g), (i), (j), (k), (l), (n), (o), (t), (u), (v) or (w);
- Property received from an individual by a trust created or established solely for the benefit of a relative of the individual;

Property received from such class of persons and subject to such conditions, as may be prescribed.

(*) Relative for this purpose means:

(a) Spouse of the individual;

(b) Brother or sister of the individual;

(c) Brother or sister of the spouse of the individual;

(d) Brother or sister of either of the parents of the individual;

(e) Any lineal ascendant (maternal as well as paternal) or descendent of the individual;

(f) Any lineal ascendant (maternal as well as paternal) or descendent of the spouse of the individual;

(g) Spouse of the persons referred to in (b) to (f).

Relevant Content

Section - 92