

GUIDANCE NOTE for Form 69

Annual Statement of income of a specified fund eligible for concessional taxation under section 210(2) of the ITA 2025

Purpose

Form 69 is the form prescribed under Rule 140 of the Income Tax Rules. In this Form, a specified fund is required to furnish an annual statement of income, attributable to the units held by non-residents (*not being permanent establishment of such non-residents in India*), which is eligible for taxation at concessional rates under **section 210(2) of the ITA 2025**.

Filing of this Form is a mandatory compliance for a specified fund, so as to claim the benefit of concessional rate of taxation, in respect of the income attributable to units held by such non-residents.

This form provides columns for furnishing information relating to identity particulars of the specified fund, details of its registration, and computation of income attributable to non-resident unit holders, which is eligible for taxation at concessional rates.

Who Should File

A specified fund seeking the benefit of taxation at concessional rates, in respect of the eligible income attributable to non-resident unit holders, **section 210(2) of the ITA 2025**, is mandatorily required to furnish the statement of such income in Form 69.

When and How to File

- The form is to be filed on the e-filing portal.
- The form shall be furnished electronically either under digital signature or through electronic verification code verified by the Trustee or the Principal Officer of the specified Fund.
- The e-form is required to be furnished by such specified Fund on or before the “*due date*” for filing the Return of Income under **Section 263 of the ITA 2025**.

Structure of Form 69

- Identity particulars of the specified fund, viz. Name, address, legal status and PAN of the Fund.
- Relevant Tax Year
- Details of registration of the fund
- Computation of income of specified fund eligible for concessional taxation
- Computation of income from securities held (viz. dividend, interest etc.), eligible for concessional taxation, as per Annexure 1
- Computation of long-term or short-term capital gains, arising from transfer of securities, eligible for concessional taxation, as per Annexure 2
- Verification by the declarant

What are the documents required to file the Form 69

Following documents may be required for filing Form 69, -

- A copy of Trust deed, or Memorandum of Association, or any other legal instrument evidencing the formation of the fund
- Certificate of registration issued by the IFSC
- Annual financial statements of the fund for the relevant tax year
- Statements of securities (held during the year and transactions executed) issued by the Broker/Custodian
- Details of Unit Holders with number of units held by them and their classification by residency status i.e. resident or non-resident

What is the process flow of filing Form 69?

The process flow includes following steps:

- Prepare the application: Fill Form 69 alongwith the Annexures, ensuring all columns are complete with accurate details.
- Attach mandatory documents.
- Sign/verify: The statement, its Annexures, and the attached statements must be signed or digitally signed by the Trustee or the Principal officer of the Fund.
- Submit online on the e-filing portal.

Outcome of Processed Form 69:

- Once the Form 69 is validly filed by the specified fund, on or before the due date of filing return of income, and is successfully processed, the fund shall be able to claim the benefit of taxation at concessional rates, in respect of income attributable to units held by the non-residents (*(not being permanent establishment of such non-residents in India)*)

Key updates include the following:

- Declaration part of the Form has been substituted by Verification, and language thereof has been simplified.
- Instead of reiterating the eligibility conditions required to be fulfilled, for taxation of income attributable to non-resident unit holders, at concessional rates under section **210(2) of the ITA 2025**, only reference to the relevant statutory provision has been mentioned in the Verification part.

Improved Applicant Experience, Expedited Process:

- The language of the Form has been simplified.
- In new Form, Annexure 1 relates to computation of income from securities and Annexure 2 relates to computation of capital gains arising from transfer of securities. This re-sequencing has been done to align the Form with the sequence followed in the section 210 of the ITA 2025.
- The columns relating to computation of income eligible for concessional taxation have also been similarly re-sequenced.