

Form 37 – Frequently Asked Questions

Certificate for claiming deduction under section 152(5) of the Income-tax Act, 2025 by resident individual patentees in receipt of royalty on patents

Name of form as per I.T. Rules, 1962	Form 10CCE	Name of form as per I.T. Rules, 2026	37
Corresponding section of I.T. Act, 1961	80RRB	Corresponding section of I.T. Act, 2025	152(5)
Corresponding Rule of I.T. Rules, 1962	19AD	Corresponding Rule of I.T. Rules, 2026	71

1: What is Form 37 ?

Ans: Form 37 is the prescribed form for filing of certificate for claim of deduction under section 152(5) of the Income-tax Act' 2025 (“ITA 2025”) by a patentee, being a resident individual, who is in receipt of royalty income during the relevant tax year, in respect of a patent registered on or after 01.04.2003 under the Patents Act’ 1970.

2: Who should file Form 37?

Ans: Any individual resident patentee, who is in receipt of income by way of royalty on patents during the relevant tax year, and who intends to claim deduction in respect of such royalty income under section 152(5) of the ITA 2025, should file the certificate in Form 37.

3. Who is required to verify the Form 37?

Ans. The patentee, who is in receipt of royalty income on patents, during the relevant tax year, is required to make a **self-declaration** in **Part B** of the Form 37, to the effect that the royalty income declared therein on the patents is eligible for deduction under section 152 of the ITA 2025.

Further, the **Controller of Patents** in whose jurisdiction the patent was registered, is also required to certify the details of the patent registered, the details of the patentee in whose name the patent was registered, and the detail of compulsory license issued by his office, if any, in respect of such registered patents; independently in **Part C** of the Form 37.

4: Where and how the Form 37 is required to be filed?

Ans: The Form 37 shall be filed electronically on the e-filing portal of Income-tax Department. The form shall be furnished electronically either under digital signature or through electronic verification code, duly verified by the patentee. The details of the patent registered, patentee, and compulsory license issued for such patent, if any, (*as mentioned by the author in Rows 3 to 5 of Part B*), are further required to be certified by the Controller of Patents.

5: What is the time limit for filing Form 37?

Ans: The certificate in Form 37 for claim of deduction under section 152(5) of the ITA' 2025 is required to be filed electronically on or before such "*due date*" for filing return of income prescribed under section 263(1)(c) of the ITA' 2025, as may apply for the individual patentee claiming the deduction. This time limit is specified in the statute itself.

6: What documents are required to file Form 37?

Ans: The following documents may be required while filing Form 37, -

- Royalty Agreement
- Statement of Royalty paid during the year
- Bank advisories,
- Foreign Inward Remittance Certificate/ bank entry, if applicable
- Approval of competent authority for extension of period, if any, in case of foreign inward remittances
- Compulsory license issued by the Controller of Patents in respect of the registered patent, if any

7. Is Form 37 mandatory?

Ans: Filing of a valid Form 37 within the specified time limit, is a mandatory condition for making an admissible claim of deduction under section 152(5), by the patentee, being a resident individual, who is in receipt of royalty income on patents, during the relevant tax year.

8: Can I edit Form 37 after submission?

Ans: No. Once Form 37 is validly submitted, after self-declaration by the patentee and certification by the Controller of Patents, and acknowledgment is generated, it **cannot be edited**. Please ensure that all details are correct before final submission.

9: Do I need to attach any document with the Form 37?

Ans: No. It is not mandatory to attach any document with the Form 37.

10: While filling Part A and Part B, can I leave any field blank?

Ans:

- PAN of the Patentee is mandatory. Name and complete address thereof shall be pre-filled, which can be updated by the user.
- PAN of the person paying the royalty on patent can be left blank only if it is a foreign entity having no PAN.
- Details and amounts in Columns 5, 8 and 9 of Part B may be provided, as applicable.
- Amount of deduction claimed in Column 10 is a mandatory field.

11: What if the patentee does not have a PAN?

Ans: Form 37 cannot be submitted without a valid PAN of the patentee.

12: Can Form 37 be filed offline?

Ans: No. Form 37 can only be submitted **online** through the Income Tax e-Filing portal.

13: Why is Form 37 important?

Ans: Filing of a valid certificate in Form 37 within the specified time limit is a mandatory compliance for claiming deduction in respect of royalty on patents, under section 152 of the ITA' 2025. However, the claim of deduction is further subject to fulfillment of various other eligibility conditions, as prescribed in the statute.

14. Can I mention the amounts of foreign inward remittances in the foreign currency?

Ans. No. The amounts of royalty received in foreign currency is required to be stated in Indian rupees, in the rows (8) and (9).