

Form 68 - Frequently Asked Questions

Form for filing Statement of exempt income by specified funds under Schedule VI [Table: Sl. Nos. 1 to 4] of the Income-tax Act' 2025

Name of form as per I.T. Rules, 1962	Form 10-IG	Name of form as per I.T. Rules, 2026	68
Corresponding section of I.T. Act, 1961	Section 10(4D)	Corresponding section of I.T. Act, 2025	section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4]
Corresponding Rule of I.T. Rules, 1962	Rule 21AI and Rule 21AIA	Corresponding Rule of I.T. Rules, 2026	139 and 144

1: What is Form 68 ?

Ans: Form 68 is the prescribed form for filing statement of exempt income under section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4] of the Income-tax Act' 2025 ("*ITA 2025*") by the specified funds. Income of the specified fund (*i.e. a fund certified as Category III Alternate Investment Fund, Retail fund or Exchange Traded Fund*) which is attributable to units held by non-resident (*not being a permanent establishment of a non-resident in India*) is exempt under these provisions. However, to claim the exemption, the specified fund is required to file an annual statement of exempt income in this Form.

2: Who should file Form 68?

Ans: The specified fund is required to file this form for making a claim of exemption in respect of income which is attributable to units held by a non-resident (*not being the permanent establishment of such non-resident in India*), under section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4] of ITA 2025.

3. Who is required to verify the Form 68?

Ans. The Principal Officer/Managing Trustee of the specified fund, seeking to claim exemption under the aforesaid provisions, is required to verify the correctness of information provided in the Form, as also that provided in its Annexures. He is further required to affirm that the eligibility

conditions for claiming exemption as stipulated in Schedule VI [Note 1(g)(i)] of the ITA 2025 are satisfied by the specified fund. He is also required to affirm that the units held by residents are not counted as units held by non-residents, for the purpose of computation of exempt income, for the relevant tax year.

4: Where and how the Form 68 is required to be filed?

Ans: The Form 68 shall be filed electronically on the e-filing portal of Income-tax Department. The form shall be duly verified, either under digital signature or through electronic verification code, by the Principal Officer/Managing Trustee of the specified fund.

5: What is the time limit for filing Form 68?

Ans: The statement of exempt income in Form 68 for claim of exemption under section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4] of 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 specified fund claiming the exemption. This time limit is specified in the relevant rule.

6: What documents are required to file Form 68?

Ans: The following documents may be required while filing Form 68, -

- 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
- Statement of securities (*held during the year and transactions executed*) including income earned on securities held and gain arising on transfer of securities
- Details of Unit Holders with number of units held by them and their classification by residency status i.e. *resident or non-resident*

7. Is Form 68 mandatory?

Ans: Filing of a valid Form 68 within the specified time limit, is a mandatory condition for making an admissible claim of exemption by a specified fund, in respect of income which is attributable to units held by a non-resident (*not being the permanent establishment of such non-resident in India*), under section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4] of ITA 2025.

8: Can I edit Form 68 after submission?

Ans: No. Once Form 68 is validly submitted, after verification by the Principal Officer/Managing Trustee of the specified fund, 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 68?

Ans: The following documents are mandatory to be attached, as required at Serial Number 18 (Part B) of the Form 68, in the detailed format given at Note 4 of the Form-

- **Annexure A1-** Details of income arising on transfer of securities during the tax year
- **Annexure A2-** Detail of income from securities issued by a non- resident, and income from a securitization trust.

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

Ans:

- PAN of the Specified Fund is mandatory. Name and complete address thereof shall be pre-filled, which can be updated by the user. Status is pre-filled.
- An updated Email address and Mobile number would ensure faster communication and verification; therefore it is recommended to provide it.
- Details of registration of the specified fund are mandatory fields.
- Details of Exempt Income in Row 11 of Part B are to be taken as per the relevant columns of Annexures A1 and A2.

- Details of units held by residents and proportionate values etc., in Columns 13 to 17 of Part B may be provided, as applicable.

11: What if the specified fund does not have a PAN?

Ans: Form 68 cannot be submitted without a valid PAN of the specified fund, as also a valid PAN of the Principal Officer/Managing Trustee verifying the Form.

12: Can Form 68 be filed offline?

Ans: No. Form 68 can only be submitted **online** through the Income Tax e-Filing portal.

13: Why is Form 68 important?

Ans: Filing of a valid statement of exempt income in Form 68 within the specified time limit is a mandatory compliance for claiming exemption by the specified fund in respect of income which is attributable to units held by a non-resident (*not being the permanent establishment of such non-resident in India*), under section 11 read with Schedule VI [Table: Sl. Nos. 1 to 4] of ITA 2025. However, the claim of deduction is further subject to fulfillment of various other eligibility conditions, as prescribed in the statute and relevant rules.