

Subject - Income Tax class B, Com P-III  
Lecture by - Dr. Euresh Sah, Deptt. of Commerce,  
Non Resident Indian (NRI)

Non Resident Indian under Income Tax Act 1961 are the person of Indian origin (PIO) who are residing outside India permanently or called Non-Resident Indian or NRI. In another way, NRI are the Indian citizens migrated to another country. Income Tax Act has not directly defined NRI. Section 6 contain detail criteria of who is considered as resident in India and provide that anyone who does not meet these criteria is Non-Resident. Liability to pay tax in India does not depend on the nationality or domicile of the tax payer but ~~on~~ his residential status.

The status of a person as a resident or non resident depends on his period of stay in India. The period of stay is counted in number of days for each financial year beginning from 1st April to 31st March known as previous year.

Resident: An individual will be treated as a resident in India in any previous year if he/she is in India for: -

At least 182 days in that year or  
At least 365 days during 4 years preceding that year AND at least 60 days in that year. An individual does not satisfy both of the condition as mentioned above will be treated as 'non-resident' in that previous year.

Students will dictate the receipt