

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

UNSTARRED QUESTION NO. 1262

TO BE ANSWERED ON MONDAY, JULY 25th 2022/SRAVANA 3, 1944 (SAKA)

HIGH NET WORTH INDIVIDUALS

1262. SHRI KESINENI SRINIVAS

Will the Minister of FINANCE be pleased to state:

- a) the number of Indian High Net Worth Individuals who have left the country and taken citizenship elsewhere since 2019, State-wise;
- b) the measures adopted to reduce the emigration of millionaires and billionaires from India;
- c) whether the Government has reduced the tax consideration cut-off date from 180 days to 120 days for Non-Resident Indians; and
- d) if so, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) The Income-tax Act, 1961 recognizes taxation of individuals based on the slabs of total income, as prescribed by the Finance Act of the respective years. Such slabs are applicable irrespective of the nature of sources of income such as Salary or Business or Profession etc. Further, no classification by expression “High Net Worth” (HNW) can be made in the absence of its definition in the Income-tax Act, 1961.

Further, no definition of either “net worth” or “HNW” has been prescribed under the Citizenship Act, 1955 and/or Rules made thereunder. Therefore, no such data is maintained.

- (b) Not applicable in view of the above.
- (c) Section 6 of the Income-tax Act, 1961, before amendment by the Finance Act, 2020, provided that an Indian citizen or a person of Indian origin, who, being outside India, comes on a visit to India in any previous year, shall be a resident in India during that previous year, if such person is in India in that year for a period or periods amounting in all to 182 days or more during that previous year.

Finance Act, 2020, inter-alia amended these provisions to provide that where such person has total income, other than the income from foreign sources, exceeding fifteen lakh rupees during the previous year, he shall be a resident in India during that previous year if,

- (a) Such person is in India in that year for a period or periods amounting in all to 182 days or more during that previous year; or
- (b) Such person,
 - (i) has been in India for a period or periods amounting in all to 365 days or more during 4 years immediately preceding that previous year, and
 - (ii) is in India for a period or periods amounting in all to 120 days or more during the previous year
- (d) It was noticed that in certain instances individuals, being Indian citizen or person of Indian Origin, who were carrying out substantial economic activities from India were managing their period of stay in India to be below the specified period of 182 days so as to remain a non-resident in perpetuity and not be required to declare their global income in India.
