

## TDS ON NRO DEPOSITS

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Government of India has entered into **“Double Tax Avoidance Agreements’ (DTAA)** with certain countries to mitigate the hardship faced by non residents who are subject to tax in both the countries. Accordingly, tax to be deducted at source on interest income earned on Ordinary Non Resident deposits/accounts shall be at the general rate prescribed or the rate specified in DTAA whichever is lower. **Tax rate for Non Resident Indians staying in Thailand is at 20% which the branch in India will deduct in all eligible cases plus applicable surcharge/cess.**

Depositors/Account holders have to submit a declaration cum undertaking form (as per copy attached) afresh every year to the branch concerned for onward submission of the same to Income Tax Department to avail tax benefit.