

Ref.No.GJEPC/Members/Thailand/2013-14/00006

2nd May, 2013

TO: ALL MEMBERS OF THE COUNCIL

Sub:

- a) Import of gold jewellery from Thailand under India-Thailand Free Trade Agreement
- b) Clarification on amendment to Section 206-C of Income Tax Act dealing with tax collection at source (TCS) on sale of bullion or jewellery in cash

Dear All,

We would like to inform you all that in view of the increasing import of gold jewellery from Thailand, the Department of Commerce has asked the Department of Revenue to issue notification suspending the import of gold jewellery from Thailand under the provisions of Early Harvest Scheme till the certificates of origin issued by Thailand are verified to their satisfaction.

In the Finance Bill 2013, the Government of India has proposed to include coins/articles weighing 10 grams or less under the category of bullion. Hence now the sale of bullion (including coins/articles) in cash in excess of Rs 2 Lakh shall be subject to TCS @ 1%. The Government of India has clarified that it is not a new levy of tax but continuation of old levy except withdrawal of exemption in the vase of coins/articles weighing 10 gms or less.

We would request you all too kindly take note of the above and take needful action.

Both the Press Releases issued by the Department of Commerce and Department of Revenue respectively can be downloaded from our website www.gjepc.org

Thanking you,

With best regards,

SABYASACHI RAY
EXECUTIVE DIRECTOR

The Gem & Jewellery Export Promotion Council

रत्न तथा आभूषण निर्यात संवर्धन परिषद्

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