

## Revision in TCS on LRS Transactions w.e.f 1st April 2025

Liberalised Remittance Scheme (LRS), is a facility where all resident individuals (as defined under FEMA 1999), including minors, are allowed to freely remit up to USD 250,000 per financial year (April – March) for any permissible current or capital account transaction or a combination of both.

TCS was introduced by the Finance Act 2020 on Foreign Exchange transactions applicable to Resident Indian under Liberalised Remittance Scheme (LRS).

We would like to inform you on the revised TCS rates on Forex draws/ remittances by Resident Individuals under Liberalised Remittance Scheme (LRS) effective from 1st April 2025, which is as under.

Sr No	Purpose of Remittance abroad	New TCS rate (w.e.f 1st April 2025)	
		Normal PAN	Inoperative PAN
i.	LRS for education purpose, if the amount being remitted is from education loan obtained from a specified institution	NIL	NIL
ii.	LRS for the purpose of education, other than (1) above (or) for the purpose of medical treatment.	Upto 10 Lakh: NIL Above 10 Lakhs: 5%	Upto 10 Lakh: NIL Above 10 Lakh: 10%
iii.	Any other purpose under LRS	Upto 10 Lakh: NIL Above 10 Lakh: 20%	Upto 10 Lakh: NIL Above 10 Lakh: 20%
iv	Overseas tour packages	Upto 10 Lakh: 5% Above 10 Lakh: 20%	Upto 10 Lakh: 10% Above 10 Lakh: 20%

### Note :

1. Threshold limit of Rs. 10 lakh per FY for LRS as mentioned in point no. (i), (ii) & (iii) is a combined limit on all categories of LRS payments, through all modes of payments, regardless of the purpose.
2. Threshold limits as mentioned in point no. (i), (ii) & (iii) are remittances/forex draws availed under LRS across all Authorised Dealers (ADs).
3. LRS remittance processed by the Bank as an Authorised Dealer towards air travel ticket booking or hotel booking by a resident individual customer would be subject to TCS as per the rate provided as mentioned in point no..(iii) of the above table.
4. (\*) Threshold limit for Rs. 10 lakh per FY for purchase of Overseas tour program package is independent of the threshold limit mentioned in point no. (1).
5. Please note PAN number of the Forex Card holder will be considered for LRS reporting to RBI and for TCS reporting to Central Board of Direct Tax

**Definition of Inoperative PAN:**

As per [Section 139AA](#), every person who has been allotted PAN as on the 1st day of July, 2017, and who is eligible to obtain Aadhaar number, should link Aadhaar number with PAN allotted on or before 31-03-2022. In case of failure to link the Aadhaar number, PAN allotted to the person shall be made inoperative after the date so notified.

For any further assistance, please contact your Relationship Manager or nearest Branch