

F. No. 285/46/2021-IT(Inv.V)/88
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes
(Investigation Division-V)

New Delhi, Dated: 18, August, 2025

INSTRUCTION

Subject: Amendment of Instruction issued under Section 84 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 ("BMA, 2015") read with Section 119 of the Income tax Act, 1961 regarding prosecution provisions under BMA, 2015-reg

Central Board of Direct taxes ('Board') had issued an Instruction, vide F.No.285/46/2021/IT (Inv.V)/645 dated 15.03.2022, clarifying that prosecution under section 49 and/or 50 of BMA, 2015 shall not be initiated in cases where penalty under section 42 and/or 43 of the BMA, 2015 is not imposed or imposable, in relation to assets covered under the proviso to aforesaid sections i.e, an asset, being one or more bank accounts having an aggregate balance which does not exceed a value equivalent to Rs.5 lakh at any time during the previous year. The instruction aimed to protect individuals holding foreign accounts with minor balances that might not have been reported due to oversight or ignorance, by providing that non-disclosure of such accounts will not attract penalty or prosecution.

2. The Finance (No.2) Act. 2024 has substituted the proviso to section 42 and 43 of the BMA, 2015 w.e.f 01.10.2024 and current proviso to section 42 and section 43 reads as under:

"Provided that this section shall not apply in respect of an asset or assets (other than immovable property) where the aggregate value of such asset or assets does not exceed twenty lakh rupees".

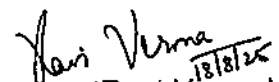
3. The amendment has expanded the scope of assets, which are not amenable to penalty provisions under section 42 and/or 43 of the BMA, 2015, while the existing Instruction continues to provides protection from prosecution proceedings only in respect of assets, which are covered by the unamended provisions.

4. The matter has been examined in Central Board of Direct Taxes ('Board')

and in order to provide relief from institution of prosecution proceedings under section 49 and/or 50 of BMA, 2015, in respect of asset(s) covered under the proviso to penalty provisions under section 42 and 43 of BMA, 2015, it has been decided to amend the Instruction dated 15.03.2022.

5 . In view of the above and in exercise of powers under section 84 of the BMA, 2015 read with section 119 of the Income Tax Act, 1961, the Board hereby amends Instruction dated 15.03.2022 and directs that prosecution proceedings under section 49 and/or 50 of BMA, 2015, would not be initiated in cases where penalty under section 42 and/or 43 of the BMA, 2015 is not imposed or imposable in relation to assets covered under the proviso to aforesaid sections i.e an asset or assets (other than immovable property), where the aggregate value of such asset or assets does not exceed a value equivalent to Rs.20 lakh at any time during the relevant previous year.

4. This shall come into effect from the date when the amendment to section 42 and 43 of BMA, 2015 became effective through Finance (No.2) Act, 2024.


(Ravi Verma)

Dy. Director of Income Tax
(Prosecution), CBDT, New Delhi.

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5. All Joint Secretaries/CsIT, CBDT
6. JCIT, Data Base Cell for uploading on irsofficersonline website.


(Ravi Verma)

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