

Amendment of IT Act with respect to Gold (01.12.2016)

<i>GOLD POSSESSION WITHOUT BILL</i>	
Gents	100 grams
Married women	500 grams
Unmarried women	250 grams

No source required to be explained for the possession of the above quantum of gold

2. Can hold over and above the specified limit mentioned above, if it is obtained from a legal source of money which is accounted.

3. If source for Purchase , bills, proof not given at the time of raid/ search

– tax will be levied @ 60% + surcharge @ 25% + Cess (presently @ 3%)

4. Other things remain as usual (i.e) No limit for acquiring & holding Gold when they are made out of known source of income which is accounted.

Summary of the above

- ✓ Specified limit for quantity of gold - no proof required.
- ✓ Proof should be shown for holding gold, beyond specified quantum, only on raid/search/scrutiny(if asked for personal balance sheet)
- ✓ Can hold any quantum of gold if
 - Purchased out of disclosed income
 - Agricultural income
 - Reasonable household savings
 - Legitimately inherited which has been acquired out of explained source

Penalty Provision if violated

As per Section 115BBE of Income tax Act,1961

Gold beyond permitted quantity & not established with proof/source will be subject to tax @60% + surcharge 25 % + Cess as applicable (as of now 3%)

Note:

Silver, diamond, precious stones & platinum are also subject to verification of proof – though no specified quantum is given as in the case of gold.