

TRANSFER OF RESIDENCE RULES AT A GLANCE

In addition to the normal duty free allowances applicable on the import and clearance of baggage of passengers, the Government of India has permitted certain **additional concessions** on the articles in the baggage of persons engaged in their profession abroad and transferring their residence to India.

2. Any person engaged in a profession abroad for more than three months and transferring his/her residence to India is allowed clearance of articles in his accompanied or unaccompanied *bona fide* baggage under rule 6 of the Baggage Rules, 2016 [M.F. (D.R.) notification No. 30/2016-Customs (N.T.), dated 01.03.2016 as amended vide notification No. 43/2016-Customs (N.T.) dated 31.03.2016 and corrected vide corrigendum F.No. 520/09/2016-Cus.VI dated 01.04.2016].

3. This is in addition to the General Free allowance available to him/her under rule 3 or 4 of the Rules *ibid.* (Details in Customs Clearance of passengers at a Glance). It may be mentioned that free allowance of Rs. 50000/15000 is not available in Unaccompanied Baggage.

4. Those persons who are transferring their residences to India after a stay of three to six months, six months to one year, one year to two years and two years or more are allowed duty free clearance of articles in their *bona fide* baggage as specified in the Appendix under rule 6 thereto. Rule 6 is as reproduced below:

“6. Transfer of residence. - (1) *A person, who is engaged in a profession abroad, or is transferring his residence to India, shall, on return, be allowed clearance free of duty in addition to what he is allowed under rule 3 or, as the case may be, under rule 4, articles in his bona fide baggage to the extent mentioned in column (2) of the Appendix below, subject to the conditions, if any, mentioned in the corresponding entry in column (3) of the said Appendix.*

(2) *The conditions mentioned in column (3) of the said Appendix may be relaxed to the extent mentioned in column (4) of the said Appendix.*

APPENDIX

<i>Duration of stay abroad</i>	<i>Articles allowed free of duty</i>	<i>Conditions</i>	<i>Relaxation</i>
(1)	(2)	(3)	(4)

<i>From three months upto six months</i>	<i>Personal and household articles, other than those mentioned in Annexure I or Annexure II but including articles mentioned in Annexure III upto an aggregate value of sixty thousand rupees.</i>	<i>Indian passenger</i>	-
<i>From six months upto one year</i>	<i>Personal and household articles, other than those mentioned in Annexure I or Annexure II but including articles mentioned in Annexure III, upto an aggregate value of one lakh rupees.</i>	<i>Indian passenger</i>	-
<i>Minimum stay of one year during the preceding two years.</i>	<i>Personal and household articles, other than those mentioned in Annexure I or Annexure II but including articles mentioned in Annexure III upto an aggregate value of two lakh rupees.</i>	<i>The Indian passenger should not have availed this concession in the preceding three years.</i>	-
<i>Minimum stay of two years or more.</i>	<i>Personal and household articles, other than those listed at Annexure I or Annexure II but including articles mentioned in Annexure III upto an aggregate value of five lakh rupees.</i>	<i>(i) Minimum stay of two years abroad, immediately preceding the date of his arrival on transfer of residence;</i>	<i>(a) For condition (i), shortfall of upto two months in stay abroad can be condoned by Deputy Commissioner of Customs or Assistant Commissioner of Customs if the early return is on account of :- (i) terminal leave or vacation being availed of by the passenger; or (ii) any other special circumstances for reasons to be recorded in writing.</i>
		<i>(ii) Total stay in India on short visit</i>	<i>(b) For condition (ii), the Principal Commissioner</i>

		<i>during the two preceding years should not exceed six months; and</i>	<i>of Customs or Commissioner of Customs may condone short visits in excess of six months in special circumstances for reasons to be recorded in writing.</i>
		<i>(iii) Passenger has not availed this concession in the preceding three years.</i>	<i>No relaxation.”</i>

5. Personal and household articles, other than those mentioned in Annexure I or Annexure II of the Baggage Rules, 2016 but including articles mentioned in Annexure III upto an aggregate value of –

- (i) sixty thousand rupees to those transferring their residences after a stay of three to six months,
- (ii) one lakh rupees to those in the category of six months to one year,
- (iii) two lakh rupees to those in the group of one year to two years, and
- (iv) five lakh rupees for those returning after two years or more are also allowed free of duty.

“ANNEXURE-I

- 1. Fire arms.
- 2. Cartridges of fire arms exceeding 50.
- 3. Cigarettes exceeding 100 sticks or cigars exceeding 25 or tobacco exceeding 125 gms.
- 4. Alcoholic liquor or wines in excess of two litres.
- 5. Gold or silver in any form other than ornaments.
- 6. Flat Panel (Liquid Crystal Display/ Light - Emitting Diode/ Plasma) television.

ANNEXURE-II

- 1. Colour Television.
- 2. Video Home Theatre System.
- 3. Dish Washer.
- 4. Domestic refrigerators of capacity above 300 litres or its equivalent.
- 5. Deep Freezer.

6. Video camera or the combination of any such Video camera with one or more of the following goods, namely: -
 - (a) television receiver;
 - (b) sound recording or reproducing apparatus;
 - (c) video reproducing apparatus.
7. Cinematographic films of 35mm and above.
8. Gold or Silver, in any form, other than ornaments.

ANNEXURE-III

1. Video Cassette Recorder or Video Cassette Player or Video Television Receiver or Video Cassette Disk Player.
2. Digital Video Disc player.
3. Music System.
4. Air-Conditioner.
5. Microwave Oven.
6. Word Processing Machine.
7. Fax Machine.
8. Portable Photocopying Machine.
9. Washing Machine.
10. Electrical or Liquefied Petroleum Gas Cooking Range.
11. Personal Computer (Desktop Computer).
12. Laptop Computer (Note book Computer).
13. Domestic Refrigerators of capacity up to 300 litres or its equivalent.”

6. It is important to note that in the old Rules, the Baggage Rules, 1998 [M.F. (D.R.) notification No. 30/98-Customs (N.T.), dated 02.06.1998 as amended], an additional free allowance on the personal jewellery and a specific provision to bring back the jewellery taken out earlier by the person or by a member of his family from India subject to the satisfaction of the Assistant Commissioner of Customs were available. However, these are done away with in the new Rule. The facility of free import of unlimited used household articles is also not available any more.

7. *Articles Allowed Under Concessional Rate of Duty*

In addition to the above, any person returning after one year or two years of stay abroad are given additional concessions under M.F. (D.R.) notification No. 27/2016-Customs dated 31.03.2016 as shown below:

<i>Duration of stay</i>	<i>Articles allowed</i>	<i>Conditions</i>
Any person holding a valid Indian passport and returning to India after having stayed abroad for at least 365 days during the two years immediately preceding the date of arrival in India	Goods specified in the TABLE I allowed duty free and goods specified in TABLE II on 15% (BCD) + 10% (Social Welfare Surcharge)	(i) such person has been working abroad; (ii) the goods (other than those purchased from the duty free shops) not accompanying such passenger were shipped or despatched or arrived within the time limits specified; (iii) such person should not have availed this concession in the preceding three years; and (iv) in respect of such goods not more than one unit shall be permissible and the total aggregate value of such goods imported free of duty by him shall not exceed rupees two lakh.
Any person on a <i>bona fide</i> transfer of residence to India	Goods specified in the TABLE I allowed duty free and goods specified in TABLE II on 15% (BCD) + 10% (Social Welfare Surcharge)	(i) such person has been residing abroad for a minimum period of two years immediately preceding the transfer of residence and has not availed this concession in the preceding three years; (ii) the goods (other than those purchased from the duty free shops) not accompanying such passenger were shipped or despatched or arrived within the time limits specified; (iii) not more than one unit of each item of such goods shall be permissible per family and the person claiming the benefit of this notification affirms by a declaration that no other member of the family had availed of, or would avail of, the benefit of this notification in respect of that item; and (iv) the total aggregate value of such goods shall not exceed rupees five lakh.

Table I and II of M.F. (D.R.) notification No. 27/2016-Customs dated 31.03.2016 are reproduced below for reference:

TABLE-I

<i>Sl. No.</i>	<i>Goods</i>
(1)	(2)
1.	Video Cassette Recorder or Video Cassette Player or Video Television Receiver or Video Cassette Disk Player.
2.	Digital Video Disc player.
3.	Music System.
4.	Air-Conditioner.
5.	Microwave Oven.
6.	Word Processing Machine.
7.	Fax Machine.
8.	Portable Photocopying Machine.
9.	Washing Machine.
10.	Electrical or Liquefied Petroleum Gas Cooking Range.
11.	Personal Computer (Desktop Computer).
12.	Laptop Computer (Note-book Computer).
13.	Domestic Refrigerators of the capacity up to 300 litres or its equivalent.

TABLE-II

<i>Sl. No.</i>	<i>Goods</i>
(1)	(2)
1.	Colour Television
2.	Video Home Theatre System.
3.	Dish Washer.
4.	Domestic Refrigerators of capacity above 300 litres or its equivalent.
5.	Deep Freezer.
6.	Video camera or the combination of any such video camera with one or more of the following goods, namely: - (a) television receiver; (b) sound recording or reproducing apparatus; (c) video reproducing apparatus.
7.	Cinematographic films of 35mm and above.
8.	Gold or silver, in any form, other than ornaments.”

8. ***Import of Used Vehicles/Cars***

Persons coming to India for permanent settlement after two years of continuous stay abroad are allowed to import one used passenger car with certain relaxation in the import policy conditions but on payment of normal rate

of customs duty, IGST and cess provided the car has been in the possession and use of that person for a period of minimum one year. Evidence to prove the ownership and use of the vehicle is required to be submitted for clearance. Since the Customs Tariff Heading 9803 does not apply to motor vehicles as per the chapter notes under chapter 98 under which the baggage articles are classified, customs duty at tariff rate is payable and concessions under the Baggage Rules are not applicable.

9. *Conditions on Import of Firearms*

Rule 3, 4 and 6 of the Baggage Rules, 2016 read with Annexure I thereto shows that firearms cannot be allowed to be brought into India free of customs duty. "Firearms" fall under the restricted category under the Foreign Trade Policy. However, by virtue of M.F. (D.R.)'s instructions F.No. 497/57/87-Cus.VI, dated 05.01.1988, one firearm is allowed to the person returning on transfer of residence subject to the conditions that the same was in his possession and use abroad for a minimum period of one year, and such firearm after clearance shall not be sold, transferred, loaned or otherwise parted with for consideration or otherwise during the life time of person concerned. The decision to allow one firearm was reiterated vide C.B.E. & C.'s circulars No. 3/95-Customs dated 12.01.1995 and No. 63/95-Customs dated 07.06.1995. Further, C.B.E. & C.'s circular No. 4/2013-Customs dated 15.01.2013 also allowed persons importing a firearm as baggage on transfer of residence to dispose of the same after ten years of import to persons legally entitled to possess such firearm. The condition that no disposal can take place till ten years of import will be endorsed on the arms licence of the passenger at the time of granting the facility under transfer of residence. An eligible person would be allowed to import only one firearm under transfer of residence in his/her lifetime.

In addition, no person is permitted to bring into India any arms unless he holds a valid licence issued in accordance with the provisions of the Arms Act, 1959 and the Rules made thereunder.

So the firearm can only be cleared on production of a valid licence under the Arms Act, 1959 and on payment of duty at the rate of 100% (BCD) + 10% (Social Welfare Surcharge), in view of the exclusion of firearms under rule 3, 4 and 6 read with Annexure 1 of the Baggage Rules, 2016 and para 2 of the M.F. (D.R.) notification No. 26/2016-Customs dated 31.03.2016.

10. *Import of Pet Dogs or Cats*

C.B.E. & C. circular No. 15/2013-Customs dated 08.04.2013 allows the import of two pet animals (dogs and cats only) as baggage by persons who are transferring their residence to India after two years of continuous stay abroad subject to the production of required health certificate from the country of origin and examination of the pets by the concerned Quarantine Officer in India. DGFT notification No. 3/2015-20 dated 25.04.2016 allows import of dogs as pets with valid pet book and relevant records/documents in the name of the importer and not for commercial purpose like breeding and other commercial activities. Passengers may contact the ACQS at Delhi, Mumbai, Kolkata or Chennai for quarantine procedure for the pets imported into India.