

Changes in Tax Collected at Source under Liberalised Remittance Scheme (LRS)

- ◆ No TCS on foreign remittances of up to Rs 7 lakh in a financial year;
 - TCS of 20% to be levied on payments of above Rs 7 lakhs
- ◆ Transactions on international credit cards overseas, will not be counted as LRS
 - hence will not attract TCS at all
- ◆ From 1st October 2023, TCS on foreign remittances through Liberalised Remittance Scheme (LRS) is as follows:



Nature of payment	New rate w.e.f 1st Oct 2023
LRS for education financed by loan	Nil up to Rs 7 lakhs 0.5% above Rs 7 lakhs
LRS for medical treatment/ education (other than financed by loan)	Nil up to Rs 7 lakhs 0.5% above Rs 7 lakhs
LRS for other purposes	Nil up to Rs 7 lakhs 20% above Rs 7 lakhs
Purchase of overseas tour program package	5% till Rs 7 lakhs 20% thereafter