

Dear Sir,

Sub: Income Tax

Hon'ble Kolkata High Court Judgement in favour of Seafarers

You are aware that Indian seafarers working on Indian or foreign flag ships had been getting income tax exemption on their foreign income of their NRE account.

However, unfortunately the Income Tax Tribunal, Kolkata in its judgement dated 1st June, 2016 took away the income tax benefit of our seafarers causing nationwide chaos and unrest amongst our seafarers, their families and shipping fraternity. As a result of the Kolkata judgement many seafarers were served notice by the Income tax department. This judgement had huge negative effect on the income of seafarers all over India.

National Union of Seafarers of India (NUSI) and the Maritime Union of India (MUI) together strongly challenged the ruling of the Kolkata Tribunal. NUSI and MUI took up the matter with the Government of India at various levels at National Shipping Board, National Welfare Board, Maritime Administration, Ministry of Shipping, Ministry of Finance. NUSI and MUI also received thousands of petitions from seafarers in support.

Due to the strong efforts of NUSI and MUI, the Ministry of Finance, Government of India vide their circular no.13/2017 dated 11.04.2017 issued a clarification that there will be no Income Tax for Seafarers on NRE Account.

The Kolkata High Court matter came up for hearing on the 13th July, 2017

We are now pleased to inform you that the judgement based on the clarification issued by the Ministry of Finance held the judgement in favour of the seafarers.

The NRE income of seafarers will not be taxed.

This is a big victory for the efforts of NUSI and MUI and for the seafarers and their families whose crucial support made the income tax relief possible.

Long Live Seamen's Unity

Yours sincerely,

(Abdulgani Y. Serang)
General Secretary-cum-Treasurer
Vice-Chair, ITF Seafarers Section - Asia Pacific Region
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