

1<sup>st</sup> February, 2020

Dear Brothers and Sisters,

Sub: **Double Trouble (Double Jhatka – Double Fatka) for Indian seafarers serving on all Indian and foreign flag ships Budget 2020 increases the number of days for NRI**

**Even NRI will have to pay Indian income tax if they are not paying tax in any other country**

**Budget 2020 will affect all Officers, Petty Officers and Ratings on all types of ship (Including Cruise ships, rigs, platforms out of India etc)**

**We need minimum one lakh petitions of protest from seafarers (so do not take this lightly and sleep over this issue)**

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Let me come straight to the point.

- 1) The Budget 2020 was announced in the Indian Parliament today on 1<sup>st</sup> February, 2020. The existing Non Resident Indian (NRI) status benefit which all Indians enjoyed for decades has been **snatched** away. To qualify for the NRI status, all Indians, (including our seafarers) will now have to be out of India for **240 days** in the financial year **instead** of the present **182 days** ( 8 months instead of 6 months )
- 2) The Budget 2020 also announced that if any qualifying Non Resident Indian **does not pay** tax in any other country, then even such NRI will have to pay Indian income tax.
- 3) This means that all seafarers will have to put more than **240 days** out of India and because presently they do not pay income tax in any **other** country, all seafarers will be **taxed in India**.
- 4) This is a very very **serious** matter. Seafarers have always been a special workforce throughout the world doing a specialised job on the high seas. You are aware that it was National Union of Seafarers of India (NUSI) which gave a **comparative** researched paper of more than **20 countries** who have given tax benefits to their citizens who are seafarers. NUSI was successful in getting **tax exemptions** for seafarers even in the coastal trade in 2015.
- 5) When the NRI benefits of seafarers was **threatened** by a judgement in Kolkatta tribunal, in 2016, it was National Union of Seafarers of India (NUSI) and Maritime Union of India (MUI) who strongly protested and fought for the seafarers, otherwise **30 per cent** of income of seafarers would have been **paid as tax**.
- 6) Here it needs to be mentioned that a large number of **seafarers** protested and supported the **unions**. We **appreciate** the support of such seafarers to the Unions. But a larger number were just taking it easy and sleeping merrily in their **comfort zones**, without any murmur and **criticising** the unions and

expecting the unions to spoon feed them. If you are one such **ungrateful** seafarer who did not protest then **shame** on you.

- 7) It was the unions which got the judgement **overturned** by strongly taking up the matter legally, financially, industrially and also with the Ministry of Shipping, Ministry of Finance – Government of India. The unions were successful in getting the matter clarified by a circular **13/2017** from the Central Board of Direct Taxes (CBDT).
- 8) The Unions felt satisfied and happy on a job well done and received many congratulations from the seafarers who participated. Those who did not participate in the historic fight, we are **disappointed** in you.

However, all seafarers are getting **one more** opportunity to fight for injustice and demand the retaining of seafarers exclusive benefits in income tax matters. This will be a **long battle** but we will **win**.

To start with, all ranks of seafarers have to register their protest as per the enclosed format and send email to [nusi@nusi.org.in](mailto:nusi@nusi.org.in) immediately as a word document or scan. NUSI team will also be visiting your ships at Indian ports to assist you.

We will not move forward unless we get a minimum of one lakh petitions at the earliest, so get going.

Yours sincerely,

(Abdulgani Y. Serang)  
General Secretary – cum – Treasurer  
National Union of Seafarers of India  
Executive Board Member – ITF  
Vice Chair, Seafarers Section, ITF Asia Pacific Region  
Vice Chair, ITF Asia Pacific Region

Shri Narendra Modi,  
Hon. Prime Minister of India,  
Prime Ministers' Office,  
New Delhi.

Dear Sir,

Sub : **Announcement in Budget 2020 – Injustice to NRI Indian seafarers**  
**Request Roll back of benefits to Seafarers**

We are merchant navy seafarers working on ships in the high seas. We brave the storms, inclement weather conditions and rough seas and lately are also victims of piracy and armed robbery. But we carry on our work with passion and integrity. Seafarers are called the **“Second line of Defence”**. We play an effective and constructive role during war and peace times. It was the Indian seafarers who kept the life line open during conflicts so that the export and import of the Indian economy does not suffer. It was the Indian seafarers who have assisted in natural calamities like floods, earthquakes, famine etc. Indian seafarers are also big foreign exchange earners. For decades, Indian seafarers have always enjoyed tax benefits available if they qualify for the Non-Resident Indian (NRI) status.

The Budget 2020 placed in the Indian Parliament has shattered all our hopes. We will now have to have minimum 240 days outside India instead of present 182 days to qualify for NRI status. And even if we qualify for NRI status we will be treated as resident Indians and taxed as we are a floating Indian population and do not pay tax in any other country.

This is injustice to all Indian seafarers. We request you to kindly

- treat the Indian seafarers as a special workforce and allow us to retain the existing benefits available to us before the Budget 2020 which is 182 days outside India for NRI status
- and on qualifying for NRI status, no income tax on our income as we are a floating population which is unique to our profession.

We are hopeful of your positive response in this matter.

Yours faithfully,

Name of the seafarer \_\_\_\_\_

CDCno \_\_\_\_\_

Rank \_\_\_\_\_

Email id \_\_\_\_\_

Mobile number \_\_\_\_\_

Name of the Ship \_\_\_\_\_

Date: \_\_\_\_\_

Email to: c.c.  
National Union of Seafarers of India  
nusi@nusi.org.in