

From Womb to Tomb – and sometimes beyond NATIONAL UNION OF SEAFARERS OF INDIA

Affiliated to International Transport Workers Federation (ITF), Hind Mazdoor Sabha (HMS)

NUSI Bhavan, 4, Goa Street, Ballard Estate, Mumbai - 400 001. E-mail: nusi@nusi.org.in ● Website: www.nusi.org.in Phone: +91-22-2261 8368 / 2261 8369 Fax: +91-22-2261 5929

Circular No. 003/2020

15th February, 2020

Dear Brothers and Sisters,

Sub: Update on Seafarers Income Tax - Budget 2020

- Demand to retain Non-Resident Status as before the Budget 2020
- 2. Demand that No Income Tax on qualifying for NRI status as before the Budget 2020
- We <u>still need minimum one lakh petitions</u> of protest from seafarers (so do not take this lightly and sleep over this issue)

Let me again come straight to the point.

- Vide our email dated 1st February, 2020, NUSI had already informed you about the difficulties going to be faced by Indian seafarers serving on all types of vessels including offshore and cruise ships because of the Budget 2020.
- The existing Non-Resident Indian (NRI) status benefit which all Indians enjoyed for decades has been snatched away.
- 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.
- 4) 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.
- 5) We had asked all seafarers to register their strong protest as per the enclosed format and send it to <u>nusi@nusi.org.in</u>.
- 6) Thousands of petitions have been received from all ranks of seafarers on board. NUSI has also collected thousands of petitions by personally visiting the ships and from the 17 branch offices of NUSI pan India.
- 7) We appreciate all those who have sent the petitions. It is our collective fight. If you have still not sent the petition, then you need to send it immediately. Be a part of this historic fight for the sake of all Indian seafarers and their families. Take ownership of this fight. Each of you must publicize this and ensure that at least 10 petitions are sent by your individual efforts.
- 8) This is a legal and industrial matter. NUSI has already taken up a legal view on this matter. We strongly advise all seafarers not to relax, lower their guard or be influenced by messages or videos floating on WHATSAPP UNIVERSITY, FACEBOOK or TWITTER. There are many self-appointed INCOME TAX DOCTORS, including seafarers who are misleading with half baked information. This is serious legal stuff.
- 9) Unless a clear CBDT Circular from the Income Tax authorities is received in this matter, as demanded by NUSI, the job is not done and both the NRI status and Income Tax even on qualifying as NRI is at serious risk.



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- 10) Press conference by the Ministry of Finance and clarifications in bits and pieces will not help. In the absence of CBDT circular, the individual assessing income tax officers can have their own interpretation now and also later on.
- NUSI has already taken up the matter strongly with the PMO Office, Ministry of Finance,
 Ministry of Shipping and other Members of Parliament.
- 12) Today, I was in New Delhi and have been assured by the Office of the Minister of Shipping that the representation from NUSI has been taken up with the Ministry of Finance in the interest of the seafarers and their families.
- 13) This will be a long battle and we will win. Send in your petitions immediately as the power of solidarity also lies in the numbers.
- 14) We will keep you posted about the latest development in this matter.

Yours sincerely,

(Abdulgani Y. Serang)

Cotylerang.

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



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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 Rollback 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 lifeline 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 a 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 an 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

CDC No.

Rank

Email id

Mobile number

Name of the Ship

Date:

Email to: c.c.

National Union of Seafarers of India

nusi@nusi.org.in