KPMG

Tax Flash News

10 July 2026

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CBDT authorises inclusion of information received under Automatic Exchange of Information framework into Annual Information Statement

Executive summary

On 8 July 2026, the Central Board of Direct Tax (‘CBDT’) issued an order[1] under section 119 of the Income-tax Act, 1961 (‘the 1961 Act’) authorising the Director General of Income-tax (Systems), Delhi (‘DGIT(Systems)’) to upload information received by India under the Automatic Exchange of Information (‘AEOI’) framework, i.e. FATCA[2] CRS[3] framework, into taxpayers' Annual Information Statement (‘AIS’) thereby establishing a formal framework for integrating globally exchanged financial information into the Indian tax compliance ecosystem.

A similar order authorising the DGIT (Systems) to upload information in taxpayers’ AIS has also been issued under section 239 of the Income-tax Act, 2025 (‘the 2025 Act’).

[1] F.No. 225/73/2025-ITA-II dated 8 July 2026
[2] Foreign Account Tax Compliance Act
[3] Common Reporting Standard

Key highlights

As per the order issued under the 1961 Act, AEOI information relating to calendar years 2022, 2023 and 2024 already available with DGIT (Systems) is required to be uploaded within 90 days from the date of the order, whereas information relating to calendar year 2025 is to be uploaded within 90 days from the end of the month in which such information is received. Similar timeline of 90 days from the end of the month in which the information is received has been prescribed in the order issued under the 2025 Act. The orders also empower the DGIT (Systems) to prescribe the procedures, formats and standards for uploading AEOI information in the AIS.

Our comments

The CBDT's decision to incorporate information received from foreign participating jurisdictions under the AEOI framework into the AIS represents a significant step towards greater tax transparency and data-driven tax administration. While the orders primarily provide a mechanism for displaying internationally exchanged information in taxpayer's AIS, they are also expected to facilitate improved visibility of overseas financial account information received by the Indian tax authorities under FATCA CRS and other exchange of information arrangements. AIS disclosure of AEOI information will enable taxpayers to reconcile foreign assets and income reporting with information received from overseas jurisdictions.

From the tax authorities' perspective, the integration of AEOI data into the AIS framework is expected to strengthen existing risk assessment, data analytics and compliance monitoring capabilities by enabling more efficient identification of discrepancies relating to foreign assets, offshore income and tax residency reporting. As a result, mismatches between taxpayer disclosures and information received under the AEOI framework may increase the likelihood of tax enquiries, discrepancy notices, scrutiny assessments and reassessment proceedings, where applicable. Taxpayers with overseas financial interests should therefore consider reviewing their foreign asset disclosures and prior-year tax filings to ensure consistency with information that may be reflected in the AIS once the AEOI data is uploaded. The possibility of filing the revised return of income should also be evaluated once the foreign income is reflected in the AIS.

In cases of incomplete or inaccurate reporting of foreign assets or income, taxpayers could also face exposure to applicable penalty provisions under the 1961 Act or the 2025 Act, as may be applicable.

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