FAST-DS 2026: How to Value Each Foreign Asset for Form 1

The Dec 31, 2026 disclosure window is open. Deciding to disclose is the easy part. The valuation under Rule 3 is where the real work, and the real risk, sits.

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Cross-Border Advisory for Indian Founders and NRIs

The Scheme in One Screen

FAST-DS 2026 is the Foreign Assets of Small Taxpayers Disclosure Scheme, a one-time voluntary window.

Legal Basis

Chapter IV, Sections 130 to 144 of the Finance Act, 2026, read with the FAST-DS Rules, 2026 (CBDT Notification 114/2026, GSR 732(E), dated Aug 14, 2026).

Key Dates

In force: Aug 16, 2026. Last date to file Form 1: Dec 31, 2026. Valuation date: Mar 31, 2026. Every asset is valued as on this one date.

Two Baskets

Undisclosed asset plus income up to Rs 1 crore (Section 133 Table Sl. No. 1), and already-taxed or NR-acquired assets up to Rs 5 crore (Sl. No. 2).

Why the Valuation Is the Real Work

The form is short. The valuation file behind it is not.

The Assessing Officer can later test your declared figure during an inquiry. Get the method wrong and the declaration can be treated as void, which strips the immunity you paid for.

Rule 3 sets a different valuation method for each class of asset. There is no single formula. This is the engagement: build a defensible, documented value for every asset, one at a time.

⚠ Bottom line for founders and NRIs: budget your time for valuation and evidence, not for filling boxes.

Rule 3: The General Rule, and the Asset Map

General rule (Q21 of the CBDT FAQ): Fair Market Value is the higher of (a) cost of acquisition, and (b) open-market price on Mar 31, 2026, ideally backed by a recognised valuer's report. If no market valuation is done, the indexed cost of acquisition is deemed to be the FMV.

Asset Class	Rule 3 Method
Quoted shares and securities	Higher of cost, or average of lowest and highest quoted price on Mar 31, 2026
Unquoted equity shares	Higher of cost, or prescribed net-asset formula
Immovable property abroad	Higher of cost, or open-market price per a valuer recognised in that country
Bullion, jewellery, art	Higher of cost, or open-market price per a recognised valuer
Foreign bank account	Sum of all deposits since the account opened (special rule)

Foreign Bank Accounts: The Deposit-Sum Rule

This is the one asset that does NOT use fair market value.

The value is the sum of all deposits made into the account from the date it was opened up to Mar 31, 2026. The closing balance is irrelevant.

Two Exclusions (Q29 of the FAQ)

1. Deposits made out of the proceeds of an earlier withdrawal from the same account are excluded, to avoid double counting.
2. If the account was earlier declared under Chapter VI of the Black Money Act, 2015, only deposits made since that declaration are counted.

> CBDT worked example: deposits and withdrawals from 2010 to 2024 net to a deposit-sum of USD 4,900, then converted to Rupees as on Mar 31, 2026.

Unquoted Shares, Property, Bullion and LLP Stakes

Unquoted Equity Shares

Higher of cost, or a prescribed formula built on the book value of specified assets, plus the FMV of bullion, jewellery, shares, securities and immovable property, less liabilities (excluding paid-up capital and reserves), scaled by paid-up value. No formula done means indexed cost is used.

Immovable Property, Bullion, Jewellery, Art and Non-Equity Securities

Higher of cost, or open-market price on the valuation date supported by a recognised valuer's report. No valuation means indexed cost applies.

Partnership, AOP or LLP Interest

Net assets on the valuation date, allocated by capital contribution and then by the agreed profit-sharing ratio.

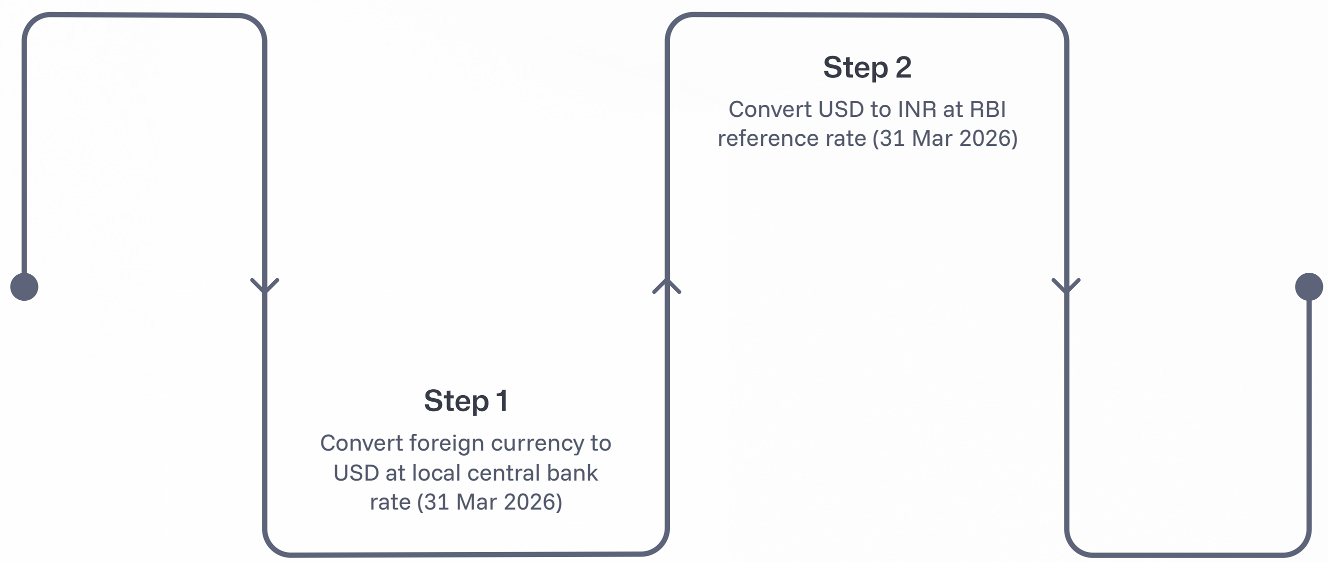
Anti Double-Count (Q34)

Where sale proceeds of one asset funded another, the old asset's value is reduced by the amount reinvested.

Currency Conversion and the Indexed-Cost Fallback

Currency (Q35)

All values are reported in Rupees. For an RBI-designated currency under the FEM (Deposit) Regulations, 2016, convert at the RBI reference rate on Mar 31, 2026. For any other currency, convert to US Dollars first at the local central bank rate, then to Rupees at the RBI reference rate on the valuation date.



Indexed Cost as Fallback

Where no open-market valuation is commissioned, the indexed cost of acquisition (same meaning as Section 48 of the Income-tax Act, 1961) is deemed to be the FMV.

> Planning point: for long-held, appreciated assets, indexed cost is often the lower and cheaper figure. Model both before you file.

The 20% Safe Harbour and Your Evidence File

Rule 5(2) safe harbour (Q36): for every asset EXCEPT a bank account, a variance up to 20% of your declared FMV will not, by itself, make the declaration void for misrepresentation, suppression or false particulars.

That protection only holds if your valuation is honest and documented. Bank accounts get no such cushion, so the deposit-sum math must be exact.

> ⚠ Bank accounts receive NO 20% safe harbour. The deposit-sum calculation must be exact.

Keep on File for Each Asset

1 Valuation Method Note

A note on whether you used cost, open-market value or indexed-cost fallback, with the reason.

2 Valuer Reports

Recognised valuer's reports dated Mar 31, 2026, or the Section 48 indexed-cost workings.

3 Bank Statements

Full bank statements from opening date, with a re-deposit reconciliation.

4 RBI Reference Rate

The RBI reference rate applied for Mar 31, 2026.

What It Costs, and the Clock

Sl. No. 1 Basket Cost

30% tax on the value, plus an equal amount, so roughly 60% of the declared value. CBDT example: a Rs 60 lakh account plus Rs 20 lakh income equals Rs 48 lakh payable.

Sl. No. 2 Basket Cost

A flat fee of Rs 1 lakh, provided assets do not exceed Rs 5 crore. Above Rs 5 crore, the scheme is not available.

After Form 1

Form 2 order within a month, pay within two months, outer limit four months with 1% monthly interest, then Form 4 confirmation.

The valuation work takes weeks. The window shuts Dec 31, 2026. Start now.

Talk to an Expert. CA Adityavikram Banka, Founder, A S Banka Advisors Private Limited.