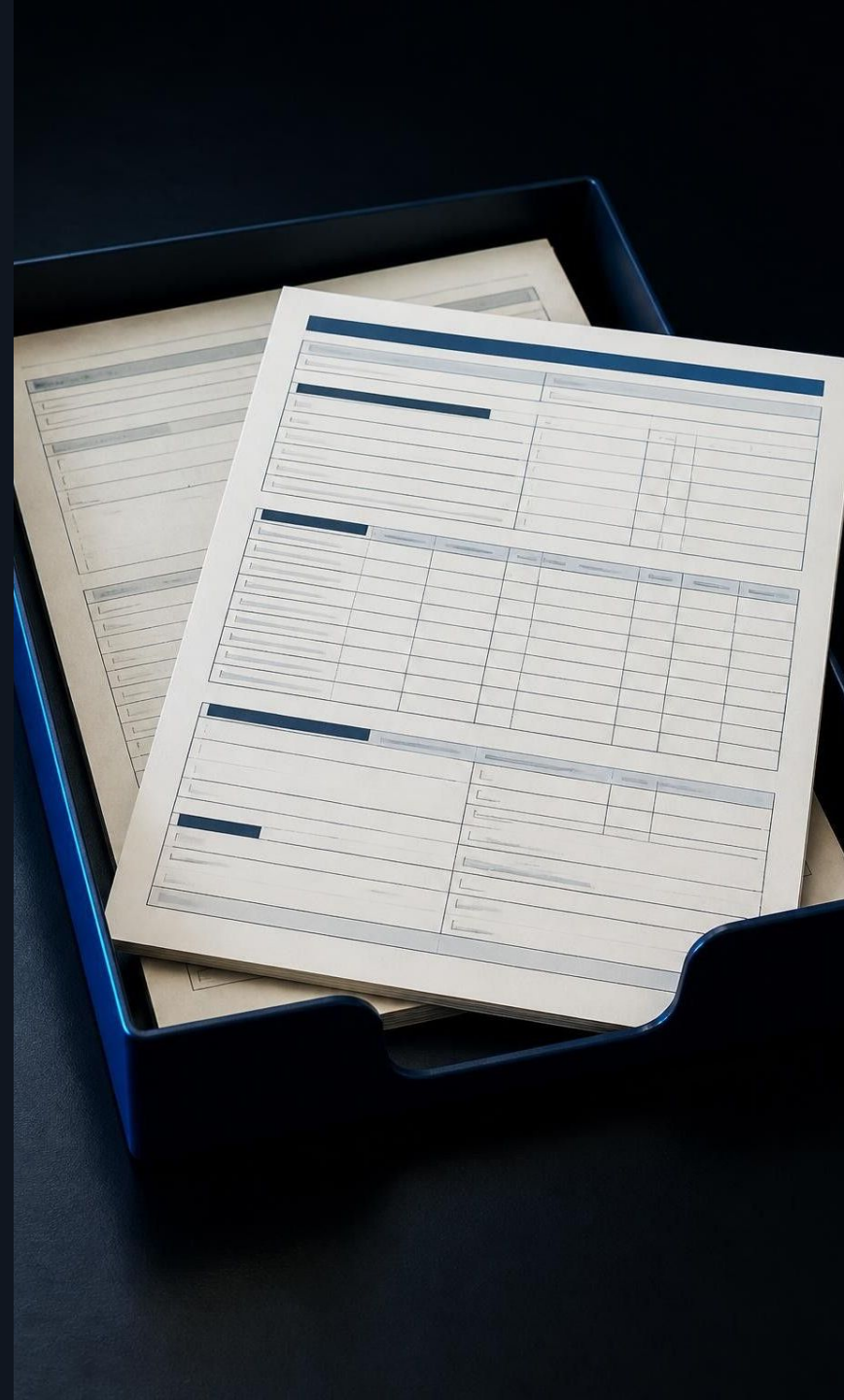
SEBI FATCA and CRS Circular: Form 166 Replaces Form 61B

What SEBI's circular of 11 November 2026 asks of brokers, depository participants and other intermediaries, and what it means for clients with foreign tax residence

SEBI Circular dated 11 November 2026 · Rules 238 to 240 · Form 166

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What changed, and why SEBI issued the circular

SEBI's FATCA and CRS instructions of 2015 and 2024 were issued under section 285BA of the Income-tax Act, 1961, rules 114F to 114H and Form 61B. From 1 April 2026, the Income-tax Act, 2025 and the Income-tax Rules, 2026 replaced them.

Rule 239(12)(a) requires the regulator to instruct its regulated financial institutions to build in these procedures.

Item	Up to 31 March 2026	From 1 April 2026
Statement of reportable accounts	Section 285BA, Income-tax Act, 1961	Section 508, Income-tax Act, 2025
Due diligence and reporting rules	Rules 114F to 114H, Income-tax Rules, 1962	Rules 238 to 240, Income-tax Rules, 2026
Annual statement	Form 61B	Form 166



Who it applies to

Reporting Financial Institutions: SEBI-registered intermediaries that are RFIs, as defined in rule 238(8) of the Income-tax Rules, 2026 ("Financial Institution" is defined in rule 238(3))

Addressed to: all intermediaries registered with SEBI, all stock exchanges and all depositories

Reference: the CBDT Guidance Note on FATCA and CRS released on 24 July 2026

Onus: obtaining and reporting the FATCA and CRS certification lies solely with the intermediary (para 8)

Four system changes named in para 6

01

Self-certification: collection procedures capture the validity indicator

02

Controlling Persons: identification systems capture each role: settlor, trustee, protector, beneficiary or other

03

Account classification: systems capture the account type and whether the account is pre-existing or new

04

Form 166 XML: generation software includes all new mandatory fields; the circular states that missing required fields will result in validation errors on the Income Tax portal

Para 7: intermediaries upload the FATCA and CRS certification obtained from clients to the KYC Registration Agencies (KRAs).



Form 166: what the CBDT Guidance Note says

New mandatory fields for non-US reportable accounts include the valid self-certification indicators, the joint account indicator and number of joint holders, Controlling Person roles, and the account type with a pre-existing or new indicator.

Point	Guidance Note
Reporting basis	Information as of 31 December each year
Filing	Form 166 filed by 31 May of the following year
Calendar year 2026 data	New fields in place before the 31 May 2027 filing deadline
No reportable account	A NIL statement is required
Valid self-certification indicator	Recorded with effect from 1 January 2026 for each account holder and each Controlling Person

Who feels it, and how



CA professionals: intermediaries must now record whether each client's self-certification is valid; clients with foreign tax residence, or holding through trusts, need complete self-certifications on file.

Founders and startups: a founder who has moved abroad, or a foreign holding entity with an Indian demat account, gives FATCA and CRS self-certification that the intermediary must record and upload to the KRA.

Family trusts and holding entities: the role of each Controlling Person (settlor, trustee, protector, beneficiary or other) is now captured; keep these details ready for each account.



Caveats

01 **Older accounts:** under rule 239(13), for non-US reportable accounts maintained as of 31 December 2025, the Controlling Person role need only be reported if it is in the RFI's electronically searchable data, for reporting periods ending by 31 December 2027

02 **After 31 December 2027:** the role must be reported for all reportable accounts

03 **Intermediary onus:** para 8 places obtaining and reporting the certification solely on the intermediary

04 **Rules prevail:** the Guidance Note states that the Act and Rules invariably prevail over it

Action plan and key dates

1. Intermediaries: confirm RFI status under rule 238(8)
2. Update self-certification forms to capture the validity indicator for account holders and Controlling Persons
3. Add Controlling Person role, joint holder, account type and pre-existing or new fields to the account master
4. Upload client FATCA and CRS certifications to the KRA systems
5. Clients: keep self-certification and Controlling Person details current with each broker and depository participant

1 April 2026:

Income-tax Act, 2025 and Income-tax Rules, 2026 replace the 1961 Act and 1962 Rules

24 July 2026:

CBDT Guidance Note on FATCA and CRS released

11 November 2026:

SEBI circular issued

31 May 2027:

Form 166 for calendar year 2026

Source: Securities and Exchange Board of India, Circular HO/38/14/(18)2026-MIRSD-POD2/I/25560/2026 dated 11 November 2026, sebi.gov.in; Central Board of Direct Taxes, Guidance Note on FATCA and CRS, released 24 July 2026, incometaxindia.gov.in