

# Import of Gifts

## Introduction

The Government has exempted gifts items received from foreign country to persons residing in India from the whole of custom duty under Foreign Trade Act. In the present scenario, import of goods up to the value of Rs. 5,000/- is allowed as gift, duty free. This exemption is allowed only for bonafide gifts imported by air or post. For the purpose of calculation of this value of Rs. 5,000/- the air freight or postal charges paid are not added. It is important to note that the value of Rs. 5,000/- is the value of the goods in the country from where the goods have been dispatched. The sender may not necessarily be residing in the country from where the goods have been dispatched.

## Who can send the gifts?

Any person living abroad can send a gift to an individual living in India. There is no specific restriction that only relatives can send the gift items. Business associated, friends, relatives, companies or acquaintances can also send the gifts to the people living in India.

## Custom Clearance Permit of Imported Gifts

Import of gifts items, which is freely importable need no custom clearance permit. However, there are certain gift items that are not freely importable. In such a situation a special permit is required by the custom authorities. The main objective of the custom clearance permit is to allow the import of gift items which is other wise restricted or prohibited by Government of India for the use of charitable, religious or educational institute registered under a law or approved by the Central or State Government.

## Application Procedure for Custom Clearance Permit (CCP)

An application for the grant of CCP for an item which is otherwise restricted or prohibited in the ITC-HS Classification may be made to Director General of Foreign Trade supported by the following documents.

1. Applicant's request on his company's letter head or plain paper duly signed with all the details.
2. Donor's letter in original duly signed and indicating his name, address and the purpose of offering gift.
3. Bank Receipt in original in duplicate/ Demand Draft / EFT details towards payments of application fee at the prescribed rate.
4. Self certified copy of proforma invoice.
5. Any other relevant document which applicant would like to enclose.