US shares tax summary

Capital gains, dividends and foreign tax credit from US shares, with where each figure goes in your return.

Financial year	Assessment year	Slab rate used	Exchange rates
2025-26	2026-27	30%	As saved with each trade

Tax payable in India	Capital gains	Dividends, gross	Foreign tax credit
₹96,911	₹6,63,380	₹3,572	₹893

How the tax is worked out

Income	Amount ₹	Rate	Tax ₹	Section
Long-term capital gains AAPL, NVDA, held more than 24 months	6,05,960	12.5%	75,745	112
Short-term capital gains, net Gains ₹93,840 less losses ₹36,420	57,420	30%	17,226	Slab, set-off under 70
Dividends from US companies 3 payments, gross before US tax	3,572	30%	1,072	Slab
Tax before cess			94,043	
Health and education cess at 4%			3,762	
Less relief for US tax on dividends			−893	90, Form 67
Tax payable in India on US shares			**96,911**	

Where each figure goes in your return

ITR-2 for most investors

Schedule	What to enter	Amount ₹	Detail on
Schedule CG	Long-term gains on foreign shares, taxed at 12.5%	6,05,960	Page 2
Schedule CG	Short-term gains, after setting off short-term losses	57,420	Page 2
Schedule OS	Dividends, gross	3,572	Page 3
Schedule FSI	Foreign income: dividends and capital gains from the United States	6,66,952	Pages 2, 3
Schedule TR	Tax paid in the United States, relief claimed under section 90	893	Page 3
Form 67	File on the income tax portal before your return	893	Page 3
Schedule FA	Every US holding during calendar year 2025, sold or not. List these from your broker statements.	—	Not in this report

Notes

1. Tax on short-term gains and dividends uses your 30% slab. Your final liability depends on your total income, surcharge and any other deductions.
2. Gains from foreign shares don't get the ₹1.25 lakh exemption under section 112A, which applies only to listed Indian equity.
3. Brokerage and fees aren't included. Adding them lowers your gains.

Capital gains statement

Every US share sold in financial year 2025–26, converted to rupees. For Schedule CG.

Long-term gains, 12.5%	Short-term gains	Short-term losses	Net short-term, at slab
₹6,05,960	₹93,840	−₹36,420	₹57,420

Each sale

Gain split into the change in share price and the change in the rupee

VOO 5 shares — Short-term, held 2 months

Purchase, 15 Jan 2025		Sale, 7 Apr 2025		Gain	
5 × $545.00	$2,725.00	5 × $465.00	$2,325.00		**−₹36,420**
Rate used	₹86.40	Rate used	₹85.60	Share price	−₹34,240
Cost in rupees	**₹2,35,440**	Sale value in rupees	**₹1,99,020**	Rupee	−₹2,180

AAPL 100 shares — Long-term, held 27 months

Purchase, 10 Mar 2023		Sale, 14 Jun 2025		Gain	
100 × $120.00	$12,000.00	100 × $150.00	$15,000.00		**₹2,98,800**
Rate used	₹82.10	Rate used	₹85.60	Share price	₹2,56,800
Cost in rupees	**₹9,85,200**	Sale value in rupees	**₹12,84,000**	Rupee	₹42,000

MSFT 10 shares — Short-term, held 7 months

Purchase, 12 Feb 2025		Sale, 18 Sept 2025		Gain	
10 × $410.00	$4,100.00	10 × $510.00	$5,100.00		**₹93,840**
Rate used	₹86.70	Rate used	₹88.10	Share price	₹88,100
Cost in rupees	**₹3,55,470**	Sale value in rupees	**₹4,49,310**	Rupee	₹5,740

NVDA 25 shares — Long-term, held 29 months

Purchase, 6 Jun 2023		Sale, 20 Nov 2025		Gain	
25 × $44.00	$1,100.00	25 × $180.00	$4,500.00		**₹3,07,160**
Rate used	₹82.40	Rate used	₹88.40	Share price	₹3,00,560
Cost in rupees	**₹90,640**	Sale value in rupees	**₹3,97,800**	Rupee	₹6,600

Summary for Schedule CG

Type	Sale value ₹	Cost ₹	Gain ₹
Long-term, foreign shares (AAPL, NVDA)	16,81,800	10,75,840	6,05,960
Short-term, foreign shares (VOO, MSFT)	6,48,330	5,90,910	57,420
Total	**23,30,130**	**16,66,750**	**6,63,380**

How these figures are worked out

1. Each purchase and sale is converted at the exchange rate saved with the trade, which should be the SBI telegraphic transfer buying rate (Rule 115). The rate is shown for every line.
2. Holding period runs from the purchase date to the sale date. More than 24 months is long-term; 24 months or less is short-term.
3. Long-term gains on sales from 23 July 2024 are taxed at 12.5% without indexation under section 112; earlier sales at 20% with indexation. Short-term losses are set off against short-term gains first, then long-term gains.

Dividends and foreign tax credit

Dividends from US shares in financial year 2025–26, the US tax withheld, and the credit you can claim. For Form 67 and Schedule TR.

Credit you can claim	Dividends, gross	US tax withheld	Indian tax on dividends
₹893	₹3,572	₹893	₹1,114

Each dividend

25% is withheld under the India–US DTAA when a W-8BEN is on file

Ex-dividend date	Share	Gross ₹	US tax ₹	Withheld
12 May 2025	AAPL	2,135	534	25%
15 May 2025	MSFT	710	177	25%
21 Aug 2025	MSFT	727	182	25%
Total, 3 payments		**3,572**	**893**	

For Form 67

Statement of income from a country outside India and tax relief claimed

Country	United States of America
Nature of income	Dividend
Income from outside India	₹3,572
Tax paid outside India	₹893
Tax payable on this income under Indian law: ₹3,572 at 30%, plus 4% cess	₹1,114
Article of the DTAA	Article 10
Relief claimed under section 90: the lower of US tax paid (up to 25%) and Indian tax	**₹893**

Notes

1. Dividends are stored in rupees, at the exchange rate entered with each one.
2. File Form 67 on the income tax portal before you file your return. Keep Form 1042-S from your broker as proof of US tax withheld.