SEGMENT – 28
BAGGAGE PROVISIONS

- **Baggage, in general, understanding = Luggage of a passenger comprising trunks or bags and personal belongings of the passenger.**
- As these are of personal use, it cannot be imported in commercial quantities
- Passenger does not require Import Export Code (IEC) for baggage clearance. Further, baggage clearance is allowed at concession rate.

FROM THE CUSTOMS ACT, 1962 TO THE BAGGAGE RULES, 2026 – STATUTORY HIERARCHY

CUSTOMS ACT, 1962 Section 2(3) — defines "baggage"

CHAPTER XI — Sections 77 to 81
(Special Provisions Regarding Baggage)

- **S.77** Declaration by owner of baggage
- **S.78** Rate of duty & tariff valuation
- **S.79** Bonafide baggage exempted from duty
  - **S.79 (empowers)** BAGGAGE RULES, 2026 (Notification No. 14/2026-Customs (N.T.))
- **S.80** Temporary detention of baggage
- **S.81** Regulations in respect of baggage
  - **S.81 (empowers)** CUSTOMS BAGGAGE (DECLARATION AND PROCESSING) REGULATIONS, 2026

BAGGAGE - SEC 2(3) OF CUSTOMS ACT

- **Means**
  - All dutiable articles, imported by passenger or a member of a crew in his baggage
- **Includes**
  - Un-accompanied baggage
- **Does not Include**
  - Motor vehicles
  - Articles imported under an import license for his own use or on behalf of others

Uncompanied Baggage

Baggage not accompanied with the passenger, may arrive earlier or later than the arrival of passenger

- After Passengers arrival into india
  - It has been in the possession of passengers in abroad and despatched within 1 month after his arrival
- Before passengers arrival into India
  - may land in India upto 2 months before arrival

Customs Act, 1962	What It Does	Corresponding Baggage Rules, 2026 / Regulations Provision
Section 2(3)	Defines "baggage" (includes unaccompanied baggage; excludes motor vehicles)	Underpins the scope of every Rule — including Rule 10 (unaccompanied baggage)
Section 77	Owner must declare baggage contents to the proper officer	Forms CBD-I / CBD-II; electronic/advance declaration via Atithi app (Regulations, 2026)
Section 78	Duty rate/valuation fixed as on date of Section 77 declaration	Duty-rate tables in Section 7 of this document; Notification No. 04/2026-Customs
Section 79	Enabling power to exempt bona fide baggage from duty, by rules	Source of the entire Baggage Rules, 2026 — Rules 3, 5, 6 and 7 (GFA, jewellery, TR)
Section 80	Temporary detention of dutiable/prohibited baggage for return on departure	Form CBD-V (Detention Receipt); Rule 4(2) temporary import; Form CBD-IV
Section 81	Board's power to regulate declaration, examination, clearance, transit	Customs Baggage (Declaration and Processing) Regulations, 2026 and Master Circular No. 04/2026-Customs

SEC 77 DECLARATION BY OWNER OF THE BAGGAGE

- Baggage Clearance [import (incoming passengers) or export (outgoing passengers] **DECLARATION OF CONTENT (DoC)** shall be filled with the Proper Officer for the purpose of clearing it. This is known as Baggage Declaration From.

Notes

Customs Clearance of Baggage = Passenger to file 'Declaration of contents (DOC)'

- Outgoing passenger - 'Export clearance of baggage' – DOC filed u/Sec 77
- Incoming passenger - 'Import clearance of baggage' – DOC filed u/Sec 77
- Domestic passengers travelling domestically in international flight – Baggage declaration is not required.

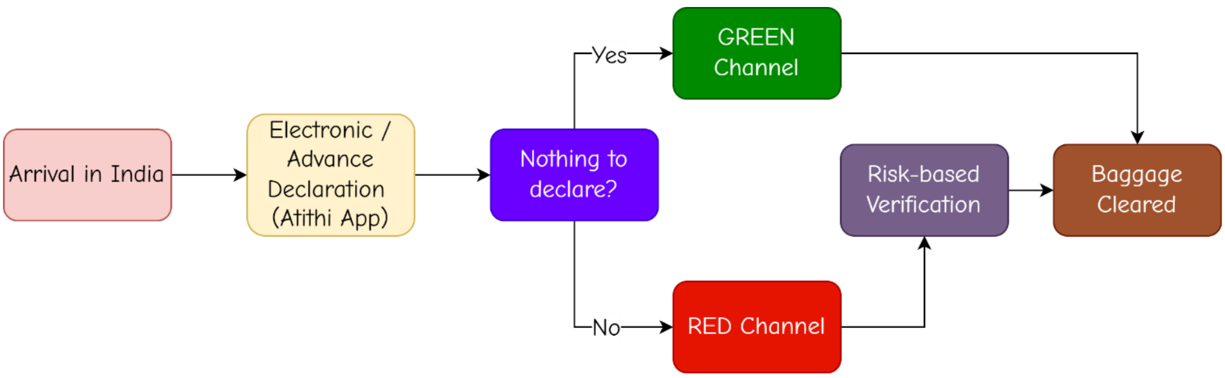
Thus, if Mr. X is flying Delhi – Kolkata in Delhi-Kolkata- Bangkok flight, then, he is not required to file Customs Baggage Declaration.

2 CHANNELS FOR CUSTOMS CLEARANCE:

Channel	Who shall walk through this channel?
Green Channel	Passengers carrying **non-dutiable and non-prohibited** goods
Red Channel	Passengers carrying **dutiable and/or prohibited** goods.

ILLUSTRATIVE BAGGAGE CLEARANCE WORKFLOW (MASTER CIRCULAR NO. 04/2026-CUSTOMS)

Risk-based selectivity — not indiscriminate checking of bona fide baggage



SEC 78 ASSESSMENT OF DUTY ON BAGGAGE: RELEVANT DATE FOR DETERMINATION OF AV & ROD

- Relevant Date = Date of filling of Declaration of Contents (DOC)
- Baggage Exemption – Effective rate of BCD = 35%
- Social Welfare Surcharge – Exempted
- IGST/GST Comp. Cess - Exempted
- CVD/ Spl CVD – Fully Exempt

Thus, total effective rate = 35%

However, with respect to following goods, applicable baggage rate of 35% is not applicable (Check for the rate in the question):

- **Firearms (Tariff rate = 70%)**
- **Cartridges of fire arms exceeding 50 (Tariff rate = 70%)**
- **Cigarettes exceeding 100 sticks or cigars exceeding 25 or tobacco exceeding 125 gms.**
- **Alcoholic liquor in excess of two litres**
- **Gold bars and ornaments**
- **Silver in any form**

Notes: Valuation rules apply to Valuation of Baggage also.

SEC 79 BONIFIED BAGGAGE EXEMPT FROM CUSTOMS DUTY:

Section 79 is the enabling provision — the specific source of rule-making power under which the Baggage Rules, 2026 have been notified.
It empowers the proper officer to pass free of duty
(a) any article that has been in the passenger's or crew member's use for a minimum period specified in rules made under the section, and
(b) any article for the use of the passenger or family, or a bona fide gift or souvenir, subject to value limits prescribed in those rules.
Section 79(2) authorises the Central Government to make rules for this purpose, including rules specifying the minimum period of use, the value limits, the conditions for duty-free clearance, and different rules for different classes of persons.

SEC 80 TEMPORARY DETENTION OF THE BAGGAGE

- Passenger Baggage = containing [Duitable Article] or [Prohibited Article]
- Passenger has filed 'True Declaration about the article u/s 77'
- Passenger may request PO to detain (keep in custody) such article with him for the purpose of returning him said article at the time of his leaving India.
- If passenger is not able to collect the article at the time of his leaving India, he can claim return of his articles in either of the following modes:
  - i) He can authorize any other passenger (who is also leaving India) to collect the detained baggage on his behalf; or
  - ii) He can make a request to PO to later on send the baggage as cargo consigned in his name.

HEMAL SHAH-2011-GOI (REVISION APPLICATION – SEC 129DD)

- ❖ Non-Declared baggage seized by Department - Re-export request u/Sec 80 is not admissible,
- ❖ For applicability of Sec 80, true declaration by passenger is mandatory.

SEC 81 CBIC MAY MAKE REGULATIONS REGARDING BAGGAGE CLEARANCE.

Section 81 gives the Board (CBIC) a separate, procedural rule-making power — distinct from the Central Government's substantive power under Section 79 — to make regulations for:
(a) the manner of declaring the contents of baggage;
(b) the custody, examination, assessment to duty and clearance of baggage; and
(c) the transit or transhipment of baggage from one customs station to another or to a place outside India.

BAGGAGE RULES, 2026

Rule 1 - Short Title & Commencement

These rules are called the Baggage Rules, 2026 and they shall come into force on 2nd February 2026

Rule 2 - Definitions

Term	Definition
Foreigner with a valid visa, other than tourist visa	A foreigner holding a valid visa (not a tourist visa) and staying in India for more than six months
Infant	A child not more than two years of age
Jewellery	Articles of adornment ordinarily worn by a person, made of gold, silver, platinum or other precious metals, whether or not studded
Personal effects	New or used articles a passenger may reasonably require for personal use during the journey, considering all circumstances, but excluding goods imported/exported for commercial purposes
Resident	A person ordinarily residing in India and holding a valid passport under the Passports Act, 1967
Tourist	A person not ordinarily resident in India, entering for a stay of not more than six months in any twelve-month period for legitimate non-immigrant purposes

RULE 3 - DUTY FREE IMPORT OF PERSONAL EFFECTS

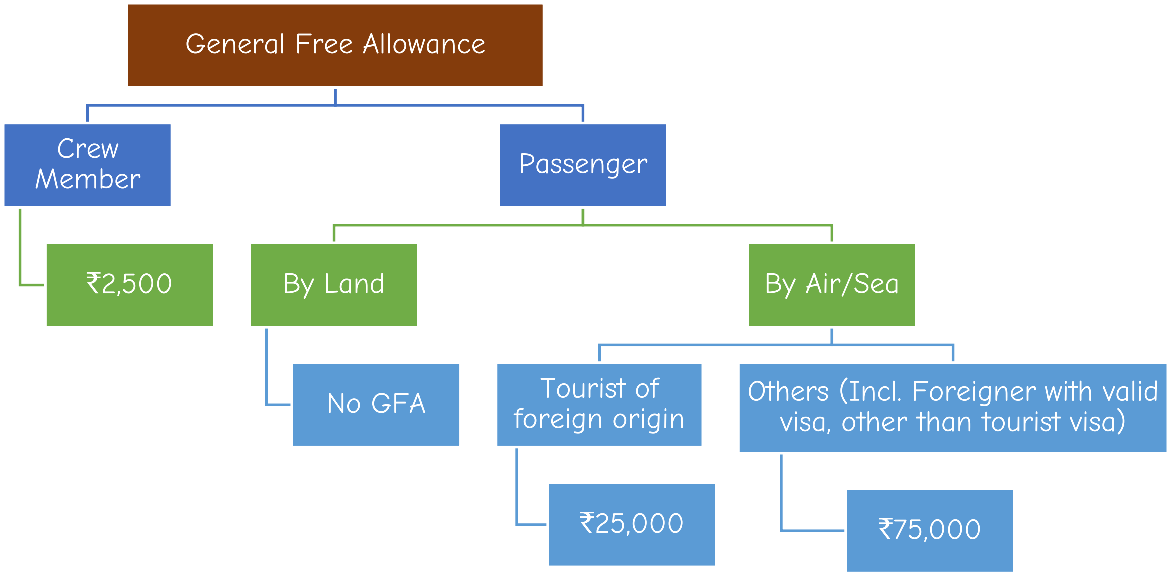
Every passenger, including an infant, is entitled to clearance of used personal effects required for satisfying the daily necessities of life, and travel souvenirs, carried on the person or in bona fide baggage, free of duty — except for the six categories of restricted items listed in Annexure-I. This is an unqualified, universal allowance independent of the General Free Allowance under Rule 5.

RULE 4 - RE-IMPORT AND TEMPORARY IMPORT

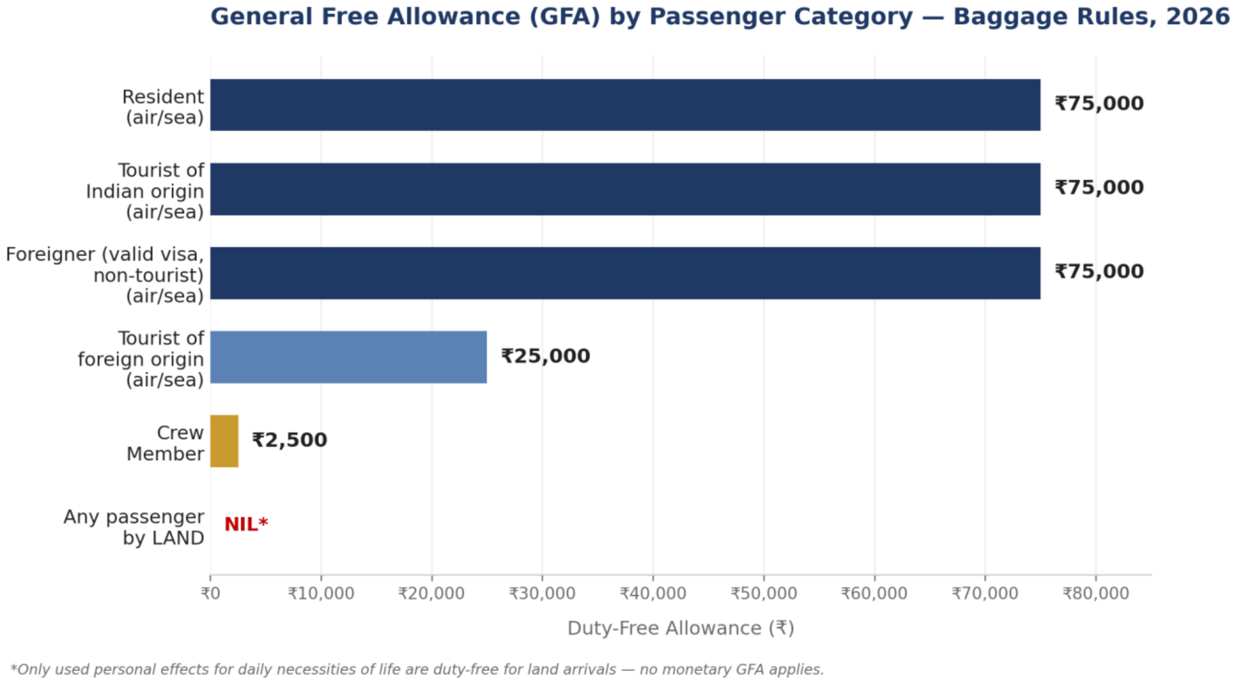
- Personal effects (other than daily-necessity used items) that a resident, tourist of Indian origin, or visa-holding foreigner <u>had earlier taken out of India</u> may be re-imported duty-free, provided a departure-time declaration was filed (electronically or otherwise) and is verified by the Deputy/Assistant Commissioner of Customs.
- Personal effects a tourist needs for the duration of an Indian stay may be temporarily imported duty-free on declaration, subject to re-export on departure.
- Passengers using this facility may be subject to risk-based verification rather than mandatory checks of every consignment.

RULE 5 - GENERAL FREE ALLOWANCE I.E. ARTICLES ALLOWED CLEARANCE FREE OF DUTY IN BONAFIDE BAGGAGE:

This is the central duty-free monetary allowance for goods carried on the person or in accompanied baggage, over and above Rule 3's personal-effects allowance, excluding Annexure-I items.



- A passenger aged 18 years or above (other than a crew member) is additionally entitled to clearance of one new laptop/notepad free of duty, irrespective of the monetary GFA.
- The free allowance of one passenger cannot be pooled with that of another passenger (Explanation to Rule 5) — i.e., a family cannot combine individual allowances into a single higher joint limit for one item.
- Infants are excluded from the GFA (though Rule 3's personal-effects allowance still applies to them).



ANNEXURE 1:

(a)	Fire arms
(b)	Cartridges of fire –arms exceeding 50.
(c)	Cigarettes exceeding 100 sticks or cigars exceeding 25 or tobacco exceeding 125 gms. (Tariff Rate)
(d)	Alcoholic liquor or wines in excess of 2 litres.
(e)	Precious metals (or) stones (or) Gold (or) silver, in any form, other than ornaments (Allowance available under rule 3 and/or rule 5)
(f)	Flat Panel Television [Liquid Crystal Display (LCD)/Light-Emitting Diode (LED)/Plasma]

Illustration - 1:

Mr. Fang a tourist of Chinese origin aged 22 years came to Indian or tourist visa for period of one month on 01-04-2020 along with his wife aged 20 years and child Jing aged 2 years. He brought the following items along with him:

(1) Personal effects like clothes of Mr. Fang valued at ₹ 40,000, of Mrs. Fang valued at ₹ 50,000 and of the Jing worth ₹ 25,000.
(2) 2 laptop computers worth ₹ 36,000 each.
(3) 3 bottles of wine of 1 litre each of total value of ₹ 6,000.
(4) Digital camera worth ₹ 21,000.
(5) Mobile worth ₹ 25,000.

What is the customs duty payable?

	Baggage Articles	Total Value	Duty free limit	Import Duty
Infant	Used Personal effects	25,000	Rule 3	NIL
Mr. Fang	Used Personal effects	40,000	Rule 3	NIL
	Travel Souvenirs	-	Rule 3	-
	Other Articles (not being articles of annexure 1)			
	• 1 Laptop (Age > 18 years)	36,000	Rule 5	NIL
	• All other (2 litre wine + digital camera)	25,000	25,000 (Rule 5)	NIL
Mrs. Fang	Used Personal Effects	50,000	Rule 3	NIL
	Travel Souvenirs	-	Rule 3	-
	Other Articles (not being articles of annexure 1)			
	• 1 Laptop (Age > 18 years)	36,000	Rule 5	NIL
	• All other (1 litre wine + Mobile)	27,000	25,000 (Rule 5)	700 [2,000 X 35%]
Total Customs duty payable				700/-

Working Notes:

(1) Since, only 2 litres of wine can be accommodated in general Free Allowance, therefore, 2 litres is declared in the baggage of Mr. Fang and 1 litre in the baggage of Mrs. Fang.
(2) The free allowance of one passenger cannot be pooled with that of other.
(3) For infants only personal effects shall be allowed duty free. It has been assumed that Mrs. & Mr. Fang and child Jing have bought three separate baggage for which separate declaration have been given to lower the incidence of customs duty.

RULE 6 – JEWELLERY ALLOWANCE

A RESIDENT (or) TOURIST OF INDIAN ORIGIN residing aboard for **more than 1 year and on return to India** shall be allowed clearance free of duty Jewellery in his bonafide baggage to the extent as given below:-

For a Female passenger	Jewellery upto a weight, of 40 grams
For other than female passenger (i.e., Male or transgender)	Jewellery upto a weight, of 20 grams

Illustration - 2:

Mr. Sujoy, an Indian entrepreneur, went to London to explore new business opportunities on 01.04.2022. His wife also joined him in London after three months. The following details are submitted by them with the Customs authorities on their return to India on 15.04.2023.

(a) Used personal effects worth ₹ 80,000.

(b) 2 music systems each worth ₹ 50,000.

(c) the Jewellery brought by Mr. Sujoy worth ₹ 48,000 [20 grams] and the jewellery brought by his wife worth ₹ 96,000 [40 grams].

Determine their eligibility with regards to duty free baggage allowance as per the Baggage Rules,2016.

Rule 3 of the Baggage Rules, 2016

There is no customs duty ***on used personal effects and travel souvenirs*** and general duty-free baggage allowance is ₹ 75,000 per passenger. Thus, duty liability of Mr. Sujoy and his wife is nil for the used personal effects worth ₹ 80,000 and 2 music systems each worth ₹ 50,000.

As per rule 6 of the Baggage Rules, 2026, the additional jewellery allowance is as follows:

Jewellery brought by	Additional duty-free allowance
Male Passenger	Jewellery upto a weight, of 20 grams
Female Passenger	Jewellery upto a weight, of 40 grams

However, the additional jewellery allowance is applicable only to a passenger residing abroad for more than 1 year.

Consequently, there is no duty liability on the jewellery brought by Mr. Sujoy as he had stayed abroad for period exceeding 1 year and weight of the jewellery brought by him is 20 grams.

However, his wife is not eligible for this additional jewellery allowance as she had stayed abroad for a period of less than a year. Thus, she has to pay customs duty on the jewellery brought by her and can adjust the balance general duty-free baggage allowance of ₹ 25,000 allowed under rule 5. Therefore, duty payable by Mrs. Sujoy on ₹96,000 (-) ₹25,000 = ₹71,000 and the baggage duty is ₹71,000 X 35% = ₹24,850.

Illustration – 3:

	Weight of jewellery	Value of jewellery	Duty Free Allowance	Remarks	AV	Duty liability @ 35%
Mr. A	18 gms	₹ 52,000	20 gms	Entire value of ₹52,000 is exempted	0	0
Mr. B	22 gms	₹ 44,000	20 gms	Quantity cap of 20 gms – ₹44,000/22 X 20 = ₹40,000	₹ 4,000	₹ 1,400
Mr. C	20 gms	₹ 50,000	20 gms	Entire value of ₹50,000 is exempted	0	0
Mr. D	25 gms	₹ 75,000	20 gms	Quantity cap of 20 gms – ₹75,000/25 X 20 = ₹60,000	₹ 15,000	₹ 5,250
Ms. E	38 gms	₹ 1,12,500	40 gms	Entire ₹1,12,500 is exempted	0	0
Ms. F	45 gms	₹ 90,000	40 gms	Quantity cap of 40 gms – ₹90,000/45 X 40 = 80,000	₹ 10,000	₹ 3,500

RULE 7 - PROFESSIONALS RETURNING FROM ABROAD OR PERSONS TRANSFERRING RESIDENCE:

Rule 7 grants an additional duty-free allowance over and above Rules 3 and 5 to

(a) residents/tourists of Indian origin returning from a profession abroad or transferring residence to India, and

(b) foreigners with a valid non-tourist visa transferring residence to India, subject to duration-of-stay slabs, conditions and permissible relaxations set out in Appendix-I (for Indian nationals/Tourist of Indian Origin) and Appendix-II (for eligible foreigners) respectively.

Household and personal articles specified in Annexure-II may be brought under TR up to the value ceilings in these Appendices. Where a passenger falls short of the prescribed stay duration, they must proactively inform the jurisdictional Principal Commissioner/Commissioner of Customs and pay applicable duty with interest.

APPENDIX-I: ALLOWANCES FOR RESIDENT / TOURIST OF INDIAN ORIGIN

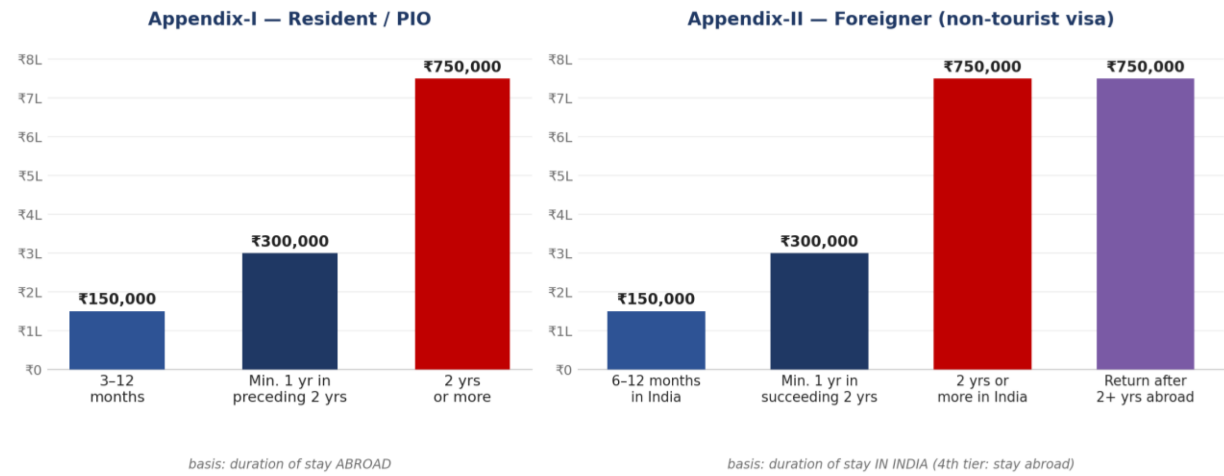
Duration of Stay Abroad	Articles Allowed Free of Duty (value cap)	Key Conditions
3 months up to 12 months	Personal & household articles (excl. Annexure-I; incl. Annexure-II items, max 1 unit each) up to ₹1,50,000 in aggregate	—
Minimum 1 year stay during preceding 2 years	As above, up to ₹3,00,000 in aggregate	Concession not availed in preceding 3 years
Minimum 2 years or more	As above, up to ₹7,50,000 in aggregate	(i) Min. 2 years' stay abroad immediately preceding return; (ii) total short-visit

		stay in India in preceding 2 years ≤ 6 months; (iii) concession not availed in preceding 3 years — relaxations possible via Deputy/Assistant Commissioner or Principal Commissioner/Commissioner as specified

APPENDIX-II : ALLOWANCES FOR FOREIGNER WITH VALID NON-TOURIST VISA

Duration of Stay in India	Articles Allowed Free of Duty (value cap)	Key Conditions
6 months up to 12 months in India	Up to ₹1,50,000 in aggregate (Annexure-II items, 1 unit each)	Min. 6 months' stay in India; concession not availed in preceding 1 year
Minimum 1 year during succeeding 2 years from arrival	Up to ₹3,00,000 in aggregate	Min. 1 year stay in succeeding 2 years; concession not availed in preceding 3 years
Minimum 2 years or more in India	Up to ₹7,50,000 in aggregate	Min. 2 years' stay in India; concession not availed in preceding 3 years — condonation available via Deputy/Assistant Commissioner or Principal Commissioner/Commissioner
Returning after stay abroad of 2 years or more	Up to ₹7,50,000 in aggregate	(i) Min. 2 years' stay abroad immediately preceding return; (ii) total short-visit stay in India in preceding 2 years ≤ 6 months; (iii) concession not availed in preceding 3 years — relaxations possible via Deputy/Assistant Commissioner or Principal Commissioner/Commissioner as specified

RULE 7 – TRANSFER OF RESIDENCE HAS TWO SEPARATE SCHEDULES



ANNEXURE-II — CONSOLIDATED LIST OF HOUSEHOLD/PERSONAL ARTICLES FOR TRANSFER OF RESIDENCE (RULE 7)

This Annexure merges what were previously two separate lists (Annexures II and III of the 2016 Rules) into a single rationalised list, updated to include several contemporary consumer-durable categories that did not appear in the earlier framework.

#	Item	#	Item
1	Home Theatre System	16	Air Cooler
2	Air-Conditioner	17	Play Station / gaming console
3	Microwave Oven	18	Water Dispenser
4	Washing Machine	19	Oil Heater
5	Gas Cooking Range	20	Electric Oven
6	Personal Computer (Desktop)	21	Musical Instrument (Piano/Guitar, etc.)
7	Laptop or Notepad	22	Tablet (e.g. iPad)
8	Domestic Refrigerator	23	Small Bluetooth Speakers
9	Television	24	Air Purifier
10	Dish Washer	25	Dehumidifier
11	Deep Freezer	26	Multifunction Printer
12	Video camera (or combined with TV/sound/video reproducing apparatus)	27	Robotic Vacuum Cleaner
13	Vacuum Cleaner	28	Massage Chair
14	Air Fryer	29	Projector
15	Dryer Machine	30	Amplifier

Illustration – 5:

Mrs. Kavita, a person of Indian origin, was employed abroad continuously for 9 months and has now permanently relocated to India (transfer of residence). She has not availed the TR concession earlier. She brings the following new/dutiable goods (excluding used personal effects, which are separately exempt under Rule 3):

Item	Value (₹)
Microwave oven	35,000
Air-conditioner (1 unit)	55,000
Two identical smartphones (personal gadgets, not Annexure-II items)	1,10,000
Gold chain (18 grams, she is female)	3,60,000

Compute the duty payable, clearly identifying which Rule/Appendix governs each item.

Item	Governing Provision	Value (₹)
Microwave oven (Annexure-II item, 1 unit)	Rule 7 / Appendix-I	35,000
Air-conditioner (Annexure-II item, 1 unit)	Rule 7 / Appendix-I	55,000
Smartphones (general dutiable article)	Rule 5	1,10,000
Gold chain, 18 g	Rule 5	3,60,000

Mrs. Kavita resided abroad for only 9 months, but Rule 6 requires more than one year abroad for the jewellery concession (40 g for a female passenger) to apply. Since she does not meet this condition, no separate jewellery exemption is available; the gold chain must be assessed to duty in the ordinary course. Since it is a gold ornament carried as personal jewellery (not unwrought gold under Annexure-I), it is not barred, but it does not qualify for the Rule 6 weight-based free allowance — it is therefore included as a personal article within the Rule 5 computation

(Annexure-I excludes gold/silver "other than ornaments", so an ornament is not automatically excluded).

Duration of stay abroad = 9 months → falls in the "three months up to twelve months" slab → free allowance ceiling = ₹1,50,000, no special conditions attached to this slab. Also, Microwave oven and air-conditioner are each a single unit of an Annexure-II item — permissible.

Item	Value (₹)
Microwave oven	35,000
Air-conditioner	55,000
Smartphones	1,10,000
Gold chain (ornament)	3,60,000
Total	5,60,000

Dutiable value = ₹4,70,000 - ₹75,000 = ₹3,95,000

(Note: Rule 5's separate ₹75,000 GFA is used here since smart phone & gold chain is not in Annexure-II)

Duty payable = 35% × ₹3,95,000 = ₹1,38,250

RULE 8 – CURRENCY:

The import and export of currency under these rules shall be governed in accordance with the provisions of the Foreign Exchange Management (Export and import of currency) Regulations, 2015 and the notifications issued thereunder.

- Foreign exchange (Notes, Coins or other instruments) upto $10,000 (Aggregate).
- Foreign exchange (Notes) upto $5,000.
- Person visiting India can carry Indian Currency upto ₹25,000.
- Person travelling abroad can carry Indian Currency upto ₹25,000.

Note: Beyond limits under FEMA, such currency is dutiable @ 35%

RULE 9 – PETS:

Import of pets by a passenger is regulated by rules notified by the concerned Ministry/Department/authority of the Central Government (in practice, the Department of Animal Husbandry and Dairying's Standard Operating Procedure, DGFT guidelines, and the ITC (HS) import policy), rather than by the Baggage Rules directly.

RULE 10 – PROVISIONS REGARDING UNACCOMPANIED BAGGAGE:

Free allowances under Baggage Rules, 2016 is applicable even in case of unaccompanied baggage, if

(a) The said unaccompanied baggage had been in possession, aboard, of the passenger and is dispatched WITHIN 1 MONTH OF THE ARRIVAL in India or within such further period as AC/DC may allow.

(b) The said unaccompanied baggage may land in India upto 2 months before the arrival of passenger or within such period, not exceeding 1 year, as AC/DC may allow for reasons to be recorded, if he is satisfied that the passenger was prevented from arriving in India within the period of 2 months due to circumstances beyond his control, such as –

- Sudden illness of the passenger or a member of his family, or
- Natural calamities, or
- Disturbed conditions, or
- Disruption in transport or travel arrangement in the country, or
- Any other reasons,

Which necessitated a change in the travel schedule of the passenger.

RULE 11 – APPLICATION OF THESE RULES TO THE MEMBER OF THE CREW:

These baggage rules are also applicable to the members of the crew engaged in foreign going conveyance for importation of their baggage, when they are finally paid off on termination of their engagement.

However, other crew members of a vessel and aircraft will be allowed to bring items like chocolates, cheese, cosmetics and other petty gift items for their personal or family use for a value not exceeding ₹ 2,500 per trip.

SEGMENT – 28
BAGGAGE PROVISIONS
SOLVED WORK BOOK QUESTIONS

The questions in this set were originally framed and answered under the Baggage Rules, 2016. Since the Baggage Rules, 2016 stood superseded by the Baggage Rules, 2026 (Notification No. 14/2026-Customs (N.T.) dated 1 February 2026, effective 2 February 2026), every answer below has been fully re-worked using the current allowances, rule numbers and duty rates.

QUICK-REFERENCE: WHAT CHANGED BETWEEN THE 2016 AND 2026 RULES

Provision	Baggage Rules, 2016	Baggage Rules, 2026
GFA — Resident / PIO tourist (Rule 5, 2026 / Rule 3, 2016)	₹50,000	₹75,000
GFA — Tourist of foreign origin	₹15,000	₹25,000
Jewellery allowance (Rule 6, 2026 / Rule 5, 2016)	20 g (male) / 40 g (female), each subject to a value cap of ₹50,000 / ₹1,00,000	20 g (other than female) / 40 g (female) — no value cap; purely weight-based
Transfer of Residence slabs (Rule 7, 2026 / Rule 6, 2016)	3–6 mo: ₹60,000; 6–12 mo: ₹1,00,000; 1–2 yrs: ₹2,00,000; >2 yrs: ₹5,00,000	3–12 mo: ₹1,50,000; min. 1 yr in preceding 2 yrs: ₹3,00,000; min. 2 yrs or more: ₹7,50,000
Laptop/notebook (passenger 18+)	Duty-free under separate Notification No. 11/2004-Customs	Duty-free directly under Rule 5 of the Baggage Rules, 2026 (Notification No. 11/2004-Customs rescinded)
Firearms / excess cartridges (Heading 9803)	70% ad valorem	100% ad valorem (50% if imported by a renowned shot for sporting purposes)
General dutiable baggage rate	35% (effectively, incl. Social Welfare Surcharge)	35% Basic Customs Duty; Nil IGST/SWS/AIDC
Pooling of allowance between passengers	Not permitted	Not permitted (unchanged)

Duty rates on cigarettes, cigars, tobacco and alcohol beyond the Annexure-I thresholds are levied under their ordinary Customs Tariff headings (outside the baggage concessional scheme) and are product/length-specific; consistent with the style of the original question set, these are flagged as "chargeable at the applicable Tariff rate" without a computed figure, except where the original question supplied a simple flat per-unit rate.

Question No 1:

Mr. Anil and his wife (non-tourist Indian passengers) are returning from Dubai to India after staying there for a period of two years. They wish to bring gold jewellery purchased from Dubai. Please enumerate provisions of Customs Laws for Jewellery allowance in their case.

Revised Answer (Baggage Rules, 2026)

As per Rule 6 of the Baggage Rules, 2026, a passenger who has resided abroad for more than one year is allowed duty-free clearance of jewellery carried in bona fide baggage, calculated purely by weight — the value-based cap that existed under the 2016 Rules has been removed entirely:

- Female passenger: up to 40 grams of jewellery, duty-free, irrespective of value.
- Passenger other than female: up to 20 grams of jewellery, duty-free, irrespective of value.

Since Mr. Anil and his wife have resided in Dubai for two years (well over the one-year threshold), both qualify:

- Mr. Anil (male passenger): up to 20 grams of jewellery duty-free, however high its value.
- Mrs. Anil (female passenger): up to 40 grams of jewellery duty-free, however high its value.

This weight-based allowance under Rule 6 operates in addition to, and independently of, the General Free Allowance (GFA) under Rule 5. Each of them separately retains their own GFA of ₹75,000 (Rule 5, applicable to residents), which may be used for any jewellery weight in excess of the 20 g / 40 g limit, or for any other dutiable goods — the two allowances cannot, however, be pooled between Mr. Anil and his wife.

Question No 2:

Mr. Gopal, an Indian entrepreneur, went to London to explore new business opportunities on 01.04.2026. His wife also joined him in London on 01.12.2026. The following details are submitted by them with the Customs Authorities on their return to India on 30.04.2027:

(a) used personal effects worth ₹95,000

(b) a music system worth ₹44,000

(c) jewellery brought by Mr. Gopal weighing 18 grams (valued ₹44,000)* and jewellery brought by his wife weighing 32 grams (valued ₹75,000)*

Determine their eligibility with regard to Duty Free Allowance.

***Weight added to the original fact pattern — see editorial note above; the 2016-based original question specified only value, which is no longer sufficient to apply Rule 6 of the 2026 Rules.**

Revised Answer (Baggage Rules, 2026)

Under Rule 3 of the Baggage Rules, 2026, used personal effects and travel souvenirs are duty-free without any value limit — so the ₹95,000 of used personal effects is fully exempt regardless of the applicable GFA.

Under Rule 5, the General Free Allowance for a resident (non-tourist Indian passenger) is now ₹75,000 per passenger, available separately to Mr. Gopal and his wife — it cannot be pooled between them.

Mr. Gopal — period abroad: 01.04.2026 to 30.04.2027 = 13 months (more than 1 year)

- Eligible for the special jewellery allowance under Rule 6 (stay exceeds one year). His limit as a male passenger is 20 grams, duty-free irrespective of value.
- His jewellery weighs 18 grams — within the 20-gram limit — so it is fully duty-free under Rule 6, regardless of its ₹44,000 value.
- His GFA of ₹75,000 therefore remains fully available for the music system (₹44,000), which is comfortably covered — Nil duty on his share of the baggage.

Mrs. Gopal — period abroad: 01.12.2026 to 30.04.2027 = 5 months (less than 1 year)

- Not eligible for the Rule 6 jewellery allowance, as her stay abroad is under one year.
- Her jewellery (32 grams, valued ₹75,000) must instead be absorbed within her own GFA of ₹75,000 — and it exactly equals that allowance, so it is fully covered.

Total Customs Duty payable by Mr. and Mrs. Gopal = ₹Nil.

Question No 3:

Amarnath, an IT professional and a person of Indian Origin, is residing in Denmark for the last 14 months. He wishes to bring a used microwave oven (costing approximately ₹1,24,200 and weighing 15 kg) with him during his visit to India. He purchased the oven in Denmark 6 months back and has been using it for personal use in his kitchen. He is not aware of Indian Customs Rules. Could you please provide him some advice in this regard?

Revised Answer (Baggage Rules, 2026)

Rule 7 of the Baggage Rules, 2026 grants an additional duty-free allowance — over and above Rules 3 and 5 — to a person engaged in a profession abroad or transferring residence to India, calculated by reference to Appendix-I, on the following duration-based slabs:

Duration of Stay Abroad	Duty-Free Value of Specified Household Articles (Annexure-II)
3 months up to 12 months	₹1,50,000 in aggregate
Minimum 1 year during the preceding 2 years	₹3,00,000 in aggregate
Minimum 2 years or more	₹7,50,000 in aggregate

Amarnath has resided in Denmark for 14 months, which exceeds the one-year threshold, so he falls in the ₹3,00,000 slab (subject to the standard condition that he has not availed this concession in the preceding three years). A microwave oven is a specified item under Annexure-II of the 2026 Rules, so its value of ₹1,24,200 is comfortably within the ₹3,00,000 aggregate ceiling.
Advice to Amarnath: since the microwave oven is a used article, brought under Transfer of Residence, and its value falls well within his eligible ₹3,00,000 allowance, he is not liable to pay any Customs Duty on it, provided he has not availed the Transfer of Residence concession in the preceding three years.

Question No 4:

After visiting USA, Mrs. & Mr. X brought to India a Laptop Computer valued at ₹80,000, personal effects (clothes) valued at ₹90,000 and a personal computer for ₹52,000. What is the Customs Duty payable?

Revised Answer (Baggage Rules, 2026)

- Used personal effects (clothes) worth ₹90,000: duty-free without any value limit under Rule 3.
- One laptop/notebook computer, valued ₹80,000: duty-free for any passenger aged 18 years or above, directly under Rule 5 of the Baggage Rules, 2026 — no separate notification is required any longer, since the erstwhile Notification No. 11/2004-Customs has been rescinded and the exemption is now built into the Rules themselves.
- Personal computer, ₹52,000: not separately specified, so it is tested against the General Free Allowance under Rule 5, now ₹75,000 per passenger (up from ₹50,000 under the 2016 Rules).

Since ₹52,000 is fully within the ₹75,000 GFA, the personal computer is entirely covered.
Total Customs Duty payable = ₹Nil.

Question No 5: [ICAI May 17 — 2 Marks | ICMAI Jun 19 — 6 Marks, revised]

Mr. Devendra, an Indian Entrepreneur, went to China to explore new business opportunities on 05-04-2026. The following details regarding imports are submitted by him with the Customs authorities on his return to India on 20-02-2027:
(a) 2 Music systems each worth ₹23,000.
(b) Jewellery brought by Mr. Devendra worth ₹49,000 (18 grams).
Write a brief note on his eligibility with regard to Duty Free Baggage Allowances.

Revised Answer (Baggage Rules, 2026)

Period of stay abroad: 05-04-2026 to 20-02-2027 = approximately 10.5 months, which does not exceed one year. Mr. Devendra is therefore not eligible for the special jewellery allowance under Rule 6 of the Baggage Rules, 2026 (which requires a stay exceeding one year). His jewellery must instead be tested against the General Free Allowance.

Particulars	Amount (₹)
2 Music systems (₹23,000 × 2)	**46,000**
Jewellery (18 grams)	49,000
Sub-total	**95,000**
Less: General Free Allowance (Rule 5, resident) — now ₹75,000	(75,000)
Dutiable value of baggage	**20,000**

Customs Duty payable = ₹20,000 × 35% = ₹7,000.

Question No 6:

Mr. Ram, an Indian resident and an engineer by profession who was engaged in his profession in USA for 9 months, brought with him on 10-04-2026 the following used items on his return to India:

1) Used personal effects like clothes etc. of ₹1,00,000; 2) Digital Video Disc player of ₹5,000; 3) Music System of ₹55,000; 4) Air-conditioner of ₹45,000; 5) Microwave Oven of ₹28,000; 6) Fax machine of ₹52,000; 7) Domestic Refrigerator of capacity 285 litres of ₹1,20,000; 8) Jewellery (18 grams) of ₹75,000.

Calculate the Customs Duty payable by him.

Revised Answer (Baggage Rules, 2026)

Mr. Ram was engaged in a profession abroad for 9 months, which falls in the "3 months up to 12 months" slab of Appendix-I to Rule 7 — entitling him to an additional Transfer of Residence allowance of ₹1,50,000 for specified Annexure-II household articles, over and above his General Free Allowance of ₹75,000 under Rule 5. His stay of 9 months is under one year, so the Rule 6 jewellery allowance (which needs a stay exceeding one year) is not available; the jewellery is treated as ordinary dutiable baggage.

The DVD player, music system, air-conditioner, microwave oven and refrigerator are specified articles under Annexure-II of the 2026 Rules. The fax machine is not a listed Annexure-II item under the 2026 Rules (older-generation office equipment such as fax machines no longer appears in the rationalised 2026 list) — it is treated as ordinary GFA-eligible baggage, as is the jewellery.

Particulars	Amount (₹)
1) Used personal effects (clothes etc.) — exempt under Rule 3	Nil
2) Digital Video Disc player	5,000
3) Music System	55,000
4) Air-conditioner	45,000
5) Microwave Oven	28,000
6) Fax machine	52,000
7) Domestic Refrigerator (285 litres)	1,20,000
8) Jewellery (18 grams — not Rule 6 eligible, stay < 1 year)	75,000
Total dutiable goods	3,80,000
Less: Combined allowance — GFA ₹75,000 (Rule 5) + Transfer of Residence ₹1,50,000 (Rule 7, Appendix-I, 3–12 month slab)	(2,25,000)
Value of goods on which duty is payable	1,55,000
Customs Duty @ 35%	54,250

Question No 7: [ICAI RTP May 20]

Mr. Samuel, a US resident aged 35 years, has come to India on a tourist visa for a month-long vacation. He carries with him, as part of Baggage: Travel Souvenirs ₹85,000; Other articles carried on in person ₹1,50,000; 80 sticks of Cigarettes of ₹100 each — ₹8,000; 30 Cartridges of fire arms valuing ₹500 each — ₹15,000; One Litre Wine ₹15,000.

With reference to the Baggage Rules, 2026, determine whether Mr. Samuel will be required to pay any Customs Duty.

Revised Answer (Baggage Rules, 2026)

As a tourist of foreign origin, Mr. Samuel is entitled to duty-free clearance of travel souvenirs (without value limit, Rule 3) and a General Free Allowance of ₹25,000 under Rule 5 (up from ₹15,000 under the 2016 Rules). All the items he carries are within the Annexure-I thresholds (80 cigarettes < 100; 30 cartridges < 50; 1 litre of wine < 2 litres) and are therefore all eligible for the GFA.

Particulars	Amount (₹)
Travel souvenirs (exempt, Rule 3)	Nil
Other articles carried on in person	1,50,000
Cigarettes (80 sticks, within the 100-stick limit)	8,000
Fire-arms cartridges (30, within the 50-cartridge limit)	15,000
Wine (1 litre, within the 2-litre limit)	15,000
Total baggage eligible for GFA	1,88,000

Less: GFA — tourist of foreign origin (Rule 5)	(25,000)
Baggage on which duty is payable	1,63,000
Customs Duty @ 35%	57,050

Question No 8: [ICAI Nov 19 — 5 Marks | ICAI MTP May 23 — 5 Marks | ICAI SM]

Mrs. X, an Indian resident who was on a visit to China, returned after 6 months. She was carrying with her: (i) Personal effects ₹75,000; (ii) Laptop Computer ₹60,000; (iii) Jewellery — 25 grams (purchased in China) ₹75,000; (iv) Music System ₹50,000.

Compute the Customs Duty payable by Mrs. X with reference to the Baggage Rules, 2026.

Revised Answer (Baggage Rules, 2026)

- Personal effects (₹75,000): duty-free without value limit under Rule 3.
- Laptop Computer (₹60,000): duty-free under Rule 5, being a passenger aged 18 or above.
- Jewellery — 25 grams (₹75,000): Mrs. X's stay abroad was only 6 months, which does not exceed the one-year threshold under Rule 6, so the special weight-based jewellery allowance is not available regardless of her 25-gram weight being within the female limit of 40 g. It is treated as ordinary GFA-eligible baggage.
- Music System (₹50,000): ordinary GFA-eligible baggage.

Particulars	Amount (₹)
Jewellery (not Rule 6 eligible — stay under 1 year)	75,000
Music System	50,000
Total	1,25,000
Less: General Free Allowance (Rule 5, resident) — now ₹75,000	(75,000)
Value of baggage liable to Customs Duty	50,000
Customs Duty @ 35%	17,500

Question No 9: [ICAI May 18 (Old) — 4 Marks | ICAI SM New Syllabus]

Gregory Peg of Foreign Origin has come on travel visa to tour in India. He carries with him: Travel Souvenir ₹85,000; Other Articles carried on in person ₹1,50,000; 120 sticks of cigarettes of ₹100 each ₹12,000; Fire Arms with 100 Cartridges (value includes the value of Cartridges at ₹500 per cartridge) ₹1,00,000.

Determine Customs Duty payable, with reference to the Baggage Rules, 2026, with short explanations where required.

Revised Answer (Baggage Rules, 2026)

As per Rule 3 read with Rule 5 of the Baggage Rules, 2026, a tourist of foreign origin is allowed duty-free clearance of travel souvenirs, plus a General Free Allowance of ₹25,000 (up from ₹15,000 under the 2016 Rules). Firearms and cartridges in excess of 50 are always excluded from the GFA (Annexure-I) and are dutiable at 70% ad valorem under Heading 9803.

The stated value of ₹1,00,000 for "Fire Arms with 100 Cartridges" comprises: cartridges (100 × ₹500 = ₹50,000) and the firearm itself (balance ₹50,000).

Particulars	Eligible for GFA (₹)	Not eligible for GFA (₹)
Travel souvenir	Nil (exempt)	—
Other articles carried on in person	1,50,000	—
Cigarettes — 100 of 120 sticks within limit	10,000	2,000 (dutiable at applicable Tariff rate)
Cartridges — 50 of 100 within limit	25,000	25,000 (dutiable @ 70%)
Firearm (never GFA-eligible)	—	50,000 (dutiable @ 70%)

Computation	Amount (₹)
Total value eligible for GFA (1,50,000 + 10,000 + 25,000)	1,85,000
Less: GFA — tourist of foreign origin	(25,000)
Baggage on which duty is payable @ 35%	1,60,000 → duty ₹56,000

Question No 10: [ICAI Nov 18 (Old) — 4 Marks | ICAI Nov 21 (Mock) | ICAI SM]

After visiting USA for a month, Mrs. and Mr. Iyer (Indian residents aged 35 and 40 years respectively) brought to India a Laptop Computer valued at ₹70,000, Used personal effects valued ₹1,40,000 and a Personal Computer for ₹58,000.
Calculate the Customs Duty payable by Mrs. & Mr. Iyer, if any.

Revised Answer (Baggage Rules, 2026)

- Used personal effects (₹1,40,000): duty-free without value limit under Rule 3.
- Laptop Computer (₹70,000): duty-free under Rule 5 for a passenger aged 18 or above.
- Personal Computer (₹58,000): tested against the GFA, now ₹75,000 under Rule 5 (up from ₹50,000).

Since ₹58,000 is fully within the ₹75,000 GFA, the personal computer is entirely covered.
Total Customs Duty payable by Mrs. and Mr. Iyer = ₹Nil.

Question No 11: [ICMAI Dec 18 — 7 Marks, revised]

After staying abroad for 16 months, Mr. Vasudev shifted his residence to India, from Sydney to Kolkata on 12.10.2027. At the time of landing at Kolkata, he brought: (i) Gold Bars 30 grams valued at ₹90,000; (ii) Alcoholic Liquor 4 litres valued at ₹10,000; (iii) 20 boxes of Cigarettes, each box containing 10 sticks, valued at ₹4,000 (200 sticks total); (iv) One Notebook Computer ₹1,00,000; (v) One PC meant for personal use ₹40,000; (vi) Hand Pistol ₹83,000.
You are required to compute the Customs Duty payable by him for the baggage, with reference to the Baggage Rules, 2026.

Revised Answer (Baggage Rules, 2026)

- Notebook Computer: duty-free under Rule 5, being a passenger aged 18 or above.
- Gold Bars (30 grams, unwrought, not ornaments): always excluded from GFA under Annexure-I. As Mr. Vasudev has resided abroad for 16 months (over 6 months) and imports well under the 1-kilogram eligibility limit, he qualifies as an "eligible passenger" under the separate concessional gold-import duty scheme, currently at 10% Basic Customs Duty + 5% Agriculture Infrastructure and Development Cess (Notification No. 45/2025-Customs, as amended) — an effective rate of 15%.
- Alcoholic Liquor (4 litres): first 2 litres within Annexure-I limit and GFA-eligible; the remaining 2 litres are excluded from GFA and dutiable at the applicable Tariff rate.
- Cigarettes (200 sticks): first 100 sticks within the Annexure-I limit and GFA-eligible; the remaining 100 sticks are excluded from GFA and dutiable at the applicable Tariff rate.
- PC for personal use (₹40,000): ordinary GFA-eligible baggage.
- Hand Pistol (firearm, ₹83,000): always excluded from GFA under Annexure-I; dutiable at 70% ad valorem under Heading 9803

Particulars	GFA-eligible (₹)	Duty computation
Alcohol — 2 of 4 litres within limit	5,000	GFA-eligible
Cigarettes — 100 of 200 sticks within limit	2,000	GFA-eligible
PC for personal use	40,000	GFA-eligible
Total eligible for GFA	47,000	Fully covered — GFA (₹75,000) exceeds this, so Nil duty on this portion

Item outside GFA scope entirely	Value (₹)
Gold bars (30 g) @ Tariff rate	90,000
Hand pistol @ 70%	83,000
Excess alcohol (2 litres) — dutiable at applicable Tariff rate	5,000
Excess cigarettes (100 sticks) — dutiable at applicable Tariff rate	2,000

Question No 12: [ICAI Past Exam Dec 21 — 5 Marks]

Mr. X, an Indian resident, returns to India on 10.04.2027 after visiting France for 3 months. On his return to India, he brings: (I) Used personal effects like clothes etc., valued at ₹1,75,000; (II) Music system valued ₹1,20,000; (III) Jewellery valued ₹1,30,000 measuring 20 grams brought by Mr. X; (IV) Laptop worth ₹1,20,000; (V) Wine 1 litre worth ₹6,000; (VI) Mobile Phone worth ₹50,000.

You are required to determine the taxable value of Baggage with reference to the Baggage Rules, 2026.

Revised Answer (Baggage Rules, 2026)

Since Mr. X's trip to France was a 3-month visit and the facts do not indicate that he was engaged in a profession abroad or was transferring his residence to India, the Transfer of Residence allowance under Rule 7 (which is available only to persons returning from a profession abroad or relocating permanently) does not apply here — this mirrors the treatment in the original 2016-based answer. His stay of 3 months is also under the one-year threshold, so the special jewellery allowance under Rule 6 is not available either; his jewellery is treated as ordinary GFA-eligible baggage.

Goods imported as Baggage	Explanation	Amount (₹)
Used personal effects	Exempt irrespective of value (Rule 3)	—
Music System	Eligible for GFA	1,20,000
Jewellery (20 g)	Not Rule 6 eligible (stay < 1 year); eligible for GFA	1,30,000
Laptop	Exempt under Rule 5 (passenger 18+)	—
Wine (1 litre)	Eligible for GFA — within the 2-litre limit	6,000
Mobile Phone	Eligible for GFA	50,000
Total		3,06,000
Less: General Free Allowance (Rule 5) — now ₹75,000		(75,000)
Taxable value of Baggage		2,31,000

Customs Duty @ 35% = ₹80,850.

Question No 13: [ICAI Past Exam Dec 21 — 5 Marks]

Mr. Kapoor is a CA and Indian resident. He brought the following items with him while returning to India from USA: (I) Personal Effects ₹50,000; (II) Jewellery valued at ₹25,000; (III) One Camera costing ₹50,000; (IV) Professional equipment ₹40,000; (V) Laptop worth ₹30,000; (VI) Household goods of ₹30,000.

Compute the amount of Customs Duty payable by Mr. Kapoor on his baggage, by assuming the Rate of Duty @ 35%.

Revised Answer (Baggage Rules, 2026)

The period of stay abroad by Mr. Kapoor has not been specified, so — as in the original answer — it is taken as a short trip; no Transfer of Residence allowance (Rule 7) or special jewellery allowance (Rule 6) applies, since both require a minimum qualifying period abroad.

Particulars	Amount (₹)
Personal effects (exempt, Rule 3)	—
Jewellery	25,000
One Camera	50,000
Professional equipment	40,000
Laptop (exempt, Rule 5)	—
Household goods	30,000
Total Value	1,45,000
Less: General Free Allowance (Rule 5) — now ₹75,000	(75,000)
Assessable Value for Duty	70,000
Customs Duty @ 35%	24,500

Question No 14: [ICAI Past Exam Dec 21 — 5 Marks]

Cliff Paul, a resident and citizen of USA, visits India on a business tour. He made a declaration to the Proper Officer about his baggage under Section 77 of the Customs Act, 1962 for the purpose of clearance. During scrutiny, the Proper Officer found that some of the declared articles were prohibited from entering India and were detained. Mr. Paul did not insist on clearing those articles, but their value was very high and it was a difficult situation for him. Advise on the procedure prescribed under customs law, on the basis of relevant statutory provisions.

Revised Answer

This question turns on the Customs Act, 1962 itself, which is unaffected by the change from the Baggage Rules, 2016 to the Baggage Rules, 2026 — the statutory framework in Sections 77 to 81 remains exactly as before, and the 2026 Rules operate underneath it rather than replacing it.

Under Section 80 of the Customs Act, 1962, where the baggage of a passenger contains any article that is dutiable or the import of which is prohibited, and a true declaration in respect of it has been made under Section 77, the proper officer may — at the passenger's request — temporarily detain that article for the purpose of returning it when the passenger leaves India. If the passenger is unable to personally collect the article on departure, it may be returned to him through another passenger he authorises and who is leaving India, or sent as cargo consigned in his name.

In the present case, Cliff Paul truly declared the prohibited articles in his baggage declaration on arrival. The proper officer may temporarily detain those articles at his request, under Section 80, for return to him when he leaves India — he need not abandon them or otherwise dispose of them at significant loss.

Administrative note under the 2026 framework: this detention is now formally recorded on Form CBD-V (Detention Receipt), one of the standard declaration forms introduced under the Customs Baggage (Declaration and Processing) Regulations, 2026, which operationalise Section 81 of the Customs Act, 1962. The underlying statutory right under Section 80 is identical to what applied under the 2016 regime.

Question No 15: [ICAI RTP Nov 22 | ICAI MTP May 23 — 5 Marks]

John Biden, aged 32, is a tourist of US origin. He has come to India on a travel visa and carries: Used personal effects ₹50,000; Travel souvenirs ₹50,000; Laptop ₹1,20,000; 200 gms tobacco (₹5/gram) ₹1,000; 50 cigars (₹100 each) ₹5,000; Fire-arms ₹80,000; 80 cartridges of fire-arms (₹500 each) ₹40,000; 1.5 litres wine ₹5,000; Mobile phone ₹80,000.

With reference to the Baggage Rules, 2026, determine Customs Duty payable. Ignore agriculture infrastructure and development cess (except where separately stated for gold).

Revised Answer (Baggage Rules, 2026)

As a tourist of foreign origin, John Biden is entitled to duty-free clearance of used personal effects and travel souvenirs (Rule 3) and one duty-free laptop (Rule 5, being over 18), plus a General Free Allowance of ₹25,000 under Rule 5 (up from ₹15,000 under the 2016 Rules). Tobacco beyond 125 g, cigars beyond 25, and cartridges beyond 50 are excluded from GFA under Annexure-I; firearms are always excluded.

Particulars	Eligible for GFA (₹)	Not eligible / separately dutiable (₹)
Used personal effects / travel souvenirs	Nil (exempt)	—
Laptop	Nil (exempt, Rule 5)	—
Tobacco — 125 of 200 g within limit	625	375 (applicable Tariff rate)
Cigars — 25 of 50 within limit	2,500	2,500 (applicable Tariff rate)
Fire-arms cartridges — 50 of 80 within limit	25,000	15,000 (dutiable @ 70%)
Fire-arm (never GFA-eligible)	—	80,000 (dutiable @ 70%)
Wine (1.5 litres, within the 2-litre limit)	5,000	—
Mobile phone	80,000	—

Computation	Amount (₹)
Total value eligible for GFA (625 + 2,500 + 25,000 + 5,000 + 80,000)	1,13,125
Less: GFA — tourist of foreign origin	(25,000)
Baggage on which duty is payable @ 35% (rounded)	88,125 → duty ₹30,844

Question No 16: [ICAI RTP Nov 22 | ICAI MTP May 23 — 5 Marks]

Kiara, of Indian origin, came to India on tour with her baby, aged 1 year. She brought: (1) Personal effects ₹50,000; (2) Used personal effects of infant ₹10,000; (3) New Camera ₹45,000; (4) Mobile Phone ₹12,500; (5) Cigarette sticks — 70 — ₹1,000; (6) Wine — 2 litres — ₹18,000; (7) Travel souvenirs ₹5,000; (8) Laptop ₹90,000.

Indicate the taxability of each item and calculate Customs Duty payable, with reference to the Baggage Rules, 2026.

Revised Answer (Baggage Rules, 2026)

As a tourist of Indian origin, Kiara is entitled to the same General Free Allowance as a resident under Rule 5 of the Baggage Rules, 2026 — now ₹75,000 (up from ₹50,000 under the 2016 Rules). Personal effects (hers and the infant's) and travel souvenirs are duty-free under Rule 3 without any value limit, and her laptop is duty-free under Rule 5.

Particulars	Exempted Baggage (₹)	Eligible for GFA (₹)
Personal effects	**Nil**	**—**
Used personal effects of infant	Nil	—
Travel souvenirs	**Nil**	**—**
Laptop — exempt, being aged 18 years or more	Nil	—
New Camera	**—**	**45,000**
Mobile phone	—	12,500
Wine — 2 litres (within the 2-litre limit)	**—**	**18,000**
Cigarettes — 70 sticks (within the 100-stick limit)	—	1,000
Total Value (before GFA)		**76,500**
Less: GFA — tourist of Indian origin (Rule 5) — now ₹75,000		(75,000)
Dutiable Value of Baggage		**1,500**
Customs Duty @ 35% (rounded)		525

Question No 17: [ICAI May 23 SA — 5 Marks]

Mr. Noddy, aged 40, a citizen of Australia, is on a solo trip to India for 1 month. He carries: Used personal effects ₹80,000; Other articles carried on in person ₹1,00,000; 65 cartridges of fire arms (₹1,000 each) ₹65,000; 150 gms of tobacco (₹10/gram) ₹1,500; Mobile phone ₹50,000; 50 cigars (₹100 each) ₹5,000; Used personal effects of his infant child, for donation, ₹10,000.

With reference to the Baggage Rules, 2026, indicate the taxability and taxable value of each item, and calculate the Customs Duty payable, rounded to the nearest rupee. Ignore agriculture infrastructure and development cess.

Revised Answer (Baggage Rules, 2026)

As a tourist of foreign origin, Mr. Noddy is entitled to a General Free Allowance of ₹25,000 under Rule 5 (up from ₹15,000 under the 2016 Rules). The infant's used effects are carried "for donation" — i.e., as a gift rather than for the infant's own personal use — so they do not qualify for the unconditional Rule 3 exemption and are treated as ordinary dutiable, GFA-eligible baggage, as in the original answer.

Particulars	Eligible for GFA (₹)	Not eligible / separately dutiable (₹)
Used personal effects	Nil (exempt)	—
Other articles carried on in person	1,00,000	—
Cartridges — 50 of 65 within limit	50,000	15,000 (dutiable @ 70%)
Tobacco — 125 of 150 g within limit	1,250	250 (applicable Tariff rate)
Mobile phone	50,000	—
Cigars — 25 of 50 within limit	2,500	2,500 (applicable Tariff rate)
Infant's used effects, for donation (dutiable)	10,000	—

Computation	Amount (₹)
Total value eligible for GFA (1,00,000+50,000+1,250+50,000+2,500+10,000)	2,13,750
Less: GFA — tourist of foreign origin — now ₹25,000	(25,000)
Baggage on which duty is payable @ 35%	1,88,750 → duty ₹66,063 (rounded)

Question No 18: [ICAI May 24 Exam]

Varun Goyal, an IT professional and a person of Indian origin, is residing in USA for the last 14 months. He wishes to bring a used microwave oven (costing approximately ₹1,85,500 and weighing 15 kg) with him during his permanent return to India. He purchased the oven in USA 6 months before and has been using it for personal use in his kitchen. He is not aware of Indian customs rules. Analyse and summarise the related legal provision of the Baggage Rules, 2026 and provide him with some advice in this regard. Relevant legal provisions should form part of your answer.

Revised Answer (Baggage Rules, 2026)

As per Rule 7 of the Baggage Rules, 2026, read with Appendix-I, a person who is engaged in a profession abroad or is transferring residence to India is entitled — on return, subject to a minimum qualifying period of stay abroad — to duty-free clearance of specified personal and household articles under Annexure-II, up to an aggregate value depending on the length of that stay:

Duration of Stay Abroad	Duty-Free Value of Specified Articles
3 months up to 12 months	₹1,50,000
Minimum 1 year during the preceding 2 years	₹3,00,000
Minimum 2 years or more	₹7,50,000

Varun Goyal has resided in the USA for 14 months, exceeding the one-year threshold, so he falls in the ₹3,00,000 slab, subject to the standard condition that he has not availed this concession in the preceding three years. A microwave oven is a specified article under Annexure-II of the 2026 Rules, and its value of ₹1,85,500 is comfortably within the ₹3,00,000 aggregate ceiling.

Advice to Varun Goyal: he can bring the used microwave oven duty-free under Rule 7 of the Baggage Rules, 2026, provided he has not availed the Transfer of Residence concession in the preceding three years.