Frequently Asked Questions

Form No. 121 — Declaration for Receipt of Income Without Deduction of Tax

Tax Year 2026-27 · Investor Reference Guide

This document is prepared to help investors understand and correctly fill Form No. 121, which replaces the earlier Form 15G and Form 15H under the Income Tax Act, 2025. If your total income for tax year 2026-27 is within the exemption limit, submitting this form ensures that no tax is deducted at source on your dividend.

Please read these FAQs carefully before filling the form. For any queries, contact the company's Registrar and Transfer Agent (RTA) or your tax advisor.

GENERAL — ABOUT FORM 121

Q1 What is Form No. 121? Why am I being asked to submit this?

A Form No. 121 is a declaration form introduced under the new Income Tax Act, 2025. It is the replacement for the older Form 15G (for investors below 60 years) and Form 15H (for senior citizens aged 60 and above).

When a company declares a dividend, it is legally required to deduct tax at source (TDS) before paying you. However, if your total income for the year is below the taxable limit, you can submit Form 121 to request the company NOT to deduct any tax on your dividend.

Q2 Is Form 121 the same as Form 15G or Form 15H?

A Yes — Form 121 is the new, unified replacement for both Form 15G and Form 15H. Earlier, investors below 60 years submitted Form 15G and senior citizens submitted Form 15H. Now, everyone uses the single Form 121.

The fields are slightly different from the old forms, so please fill it afresh — do not use old Form 15G/15H printouts.

Q3 Who should submit Form 121?

A You should submit Form 121 if all of the following apply to you:

• You are an Individual (not a company, firm, or HUF).

• You are a Resident of India for tax purposes.

• Your estimated total income for the tax year 2026-27 does not exceed the basic exemption limit — ₹4,00,000 if you are below 60 years, or ₹12,00,000 if you are 60 years or above.

If you are a Non-Resident Indian (NRI), you cannot submit this form.

Note: *If you are unsure whether your total income qualifies, please consult your tax advisor before submitting.*

Q4 **What if I don't submit Form 121?**

A If you do not submit Form 121, the company will deduct TDS (tax at source) on your dividend as per applicable rates. You can still claim a refund of this TDS when you file your Income Tax Return, but the process takes time.

Q5 **Is submitting Form 121 alone enough? Do I also need to submit my PAN?**

A No — Form 121 alone is not sufficient. Your PAN card copy is also required.

> ⚠ **Important:** *A correctly submitted Form 121 without a PAN card copy, will still result in TDS being deducted*

FILLING THE FORM — FIELD BY FIELD

Q1 **Field 1 — Name: How should I write my name?**

A Write your full name exactly as it appears on your PAN card — first name, middle name (if any), and last name. Do not use abbreviations.

Example: RAJESH KUMAR SHARMA (not R.K. Sharma)

Q2 **Field 3 — PAN: Do I have to fill this?**

A Yes, your PAN is mandatory. Leave it blank and the form will be rejected.

Important: Your PAN must be an Individual PAN. You can check this by looking at the 4th character of your PAN — it must be the letter 'P'. For example, ABCPD1234E is valid (4th character is P). If your PAN has a different 4th character, it is not an individual PAN and the form will not be accepted.

> ⚠ **Important:** *Double-check your PAN carefully. A wrong or missing PAN is one of the most common reasons for rejection.*

Q3 **Field 4 — Status: What should I write here?**

A Write 'Individual'. This form is only for individual investors, so your status must be Individual.

Q4 **Field 5 — Residential Status: What are the options?**

A Select one of the following:

• Resident — if you reside in India and meet the residency conditions under the Income Tax Act.

• Non-resident — if you are an NRI. Note: if you are an NRI, you cannot submit Form 121.

Q5 Field 5(a) — Age 60 or above: Why does this matter?

A This field determines which income threshold applies to you:

• If you are below 60 years: your total income must be below ₹4,00,000 to be eligible.

• If you are 60 years or above (Senior Citizen): your total income must be below ₹12,00,000.

Mark 'Yes' if you are 60 or above at any point during the tax year 2026-27, and 'No' if you are below 60.

If you leave this blank, the lower threshold of ₹4,00,000 will be applied.

Q6 Field 8 — Tax Year: What should I write?

A Write 2026-27. This is the current tax year for which this declaration is being made.

If this field is left blank or shows a different year, please ensure the correct year '2026-27' is clearly mentioned in the declaration section at the bottom of the form.

Q7 Field 9 — Nature of Income: What should I write?

A Write 'Dividend'. Since you are submitting this form in connection with a dividend payment from the company, the nature of income is Dividend.

You may also leave this blank — it will still be accepted. However, do not write anything other than 'Dividend'.

> ⚠ **Important:** *If you write a different nature of income (e.g., interest, rent), the form may be rejected.*

Q8 Field 10 — Estimated Income: What amount do I fill here?

A Fill in the estimated amount of dividend you expect to receive from this company during the tax year 2026-27.

This field can be left blank if you are unsure of the exact amount. However, if you do fill it, ensure the amount is within the applicable threshold (₹4,00,000 or ₹12,00,000 depending on your age).

Q9 Fields 11, 11(a), 11(b) — Other Form 121 filed: What is this?

A If you have already submitted Form 121 to any other company or institution during the same tax year 2026-27, you need to mention those details here.

• Field 11(a): Total number of other Form 121s already filed this year.

• Field 11(b): Total amount of income covered by those forms.

If this is your first Form 121 for the year, you can write '0' or leave these blank.

Q10 **Field 12 — Aggregate Income: How do I calculate this?**

A Field 12 = Field 10 (your dividend from this company) + Field 11(b) (income from other Form 121s you already filed).

This is the total dividend/income for which you are claiming tax exemption across all Form 121s this year.

This can be left as zero or blank if not applicable. However, if you fill it, the total must not exceed your applicable threshold (₹4,00,000 or ₹12,00,000).

> ⚠ **Important:** *If the aggregate amount exceeds your threshold limit, the form will be rejected.*

Q11 **Field 13 — Estimated Total Income: This is the most important field. What do I write?**

A This is your estimated total income for the entire tax year 2026-27 from all sources — salary, pension, interest, dividends, rent, etc. — combined.

This field cannot be left blank.

The amount must be within the threshold limit:

• Below 60 years: must be ₹4,00,000 or less.

• 60 years or above: must be ₹12,00,000 or less.

If your total income exceeds these limits, you are not eligible to submit Form 121 and tax will be deducted at source.

> ⚠ **Important:** *Leaving Field 13 blank is the single most common reason for rejection. Please ensure it is filled.*

Q12 **Field 14 — ITR Details: Do I have to fill this?**

A This field asks for details of Income Tax Returns (ITRs) filed for the previous two tax years (2025-26 and 2024-25) — the acknowledgement number and return income.

This is optional — you can leave it blank or fill it partially. It is not a rejection criterion.

DECLARATION & SIGNATURE

Q1 **Do I have to sign the form? Can I submit without a signature?**

A Signature is mandatory. A form without a signature will be rejected, no exceptions.

The declaration section at the bottom of the form must be signed by you (the investor) in the space provided. Digital signatures are not accepted — a physical signature is required.

> ⚠ **Important:** *An unsigned Form 121 will always be rejected.*

Q2 **Do I need to fill in Place and Date in the declaration?**

A No — Place and Date can be left blank. Only the signature is mandatory in the declaration section.

Q3 The declaration mentions a tax year. What year should I write there?

A The tax year in the declaration should be 2026-27. If it is left blank or shows a wrong year, the form may still be accepted if the correct year (2026-27) is mentioned in Field 8 at the top of the form.

However, if both Field 8 and the declaration show an incorrect or blank year, the form will be rejected.

COMMON MISTAKES TO AVOID

Q1 What are the most common reasons a Form 121 gets rejected?

A Based on our review experience, the most common rejection reasons are:

1. Missing signature — the form is not signed by the investor.
2. Blank Field 13 (Estimated Total Income) — this is mandatory and cannot be empty.
3. PAN not belonging to an individual — 4th character of PAN is not 'P'.
4. Wrong nature of income — something other than 'Dividend' is written in Field 9.
5. Income exceeds threshold — Field 12 or 13 shows an amount higher than the limit.
6. Wrong tax year — incorrect year mentioned in both Field 8 and the declaration.
7. Non-individual or non-resident submitting the form — only Resident Individuals are eligible.

Q2 Can I submit the old Form 15G or Form 15H instead?

A No. Form 15G and Form 15H are no longer valid under the Income Tax Act, 2025. Only Form 121 will be accepted. Please do not use old forms.

Q3 I am an NRI. Can I submit Form 121 to avoid TDS on my dividend?

A No. Form 121 is only for Resident individuals. NRIs are not eligible to submit this form.

However, NRIs may submit other documents (such as a Tax Residency Certificate and Form No. 41) to claim a reduced rate of TDS under a tax treaty between India and their country of residence. Please contact the company's RTA or your tax advisor for guidance.

SUBMISSION — HOW AND WHERE

Q1 Where do I submit Form 121?

A Submit the completed and signed Form 121 to the company's Registrar and Transfer Agent (RTA) or as directed in the company's communication to you.

The submission instructions — including the address, email, or portal link — are typically mentioned in the dividend notice or shareholder letter sent by the company.

Q2 By when should I submit the form?

A The form must be submitted before the dividend record date — this is the date used by the company to determine who its shareholders are for dividend purposes.

Forms received after the record date cannot be processed and tax will be deducted as applicable.

> ⚠ **Important:** *Do not wait until the last moment. Submit well before the record date to ensure timely processing.*

Q3 Do I need to submit Form 121 every year?

A Yes. Form 121 is valid only for the tax year for which it is submitted (2026-27 in this case). You will need to submit a fresh form each year when the company declares a dividend.

Q4 Can I submit one Form 121 if I hold shares in multiple companies?

A No. A separate Form 121 must be submitted to each company (or its RTA) from which you expect to receive dividend income. The form is specific to the income from that particular company.

Need Help?

If you are unsure about any field, or if your form has been returned, please reach out to the company's Registrar and Transfer Agent (RTA) whose details are mentioned in the dividend communication you received. You may also consult a chartered accountant or tax advisor.