

Form No.121 (Earlier called as Form Nos.15G & 15H)**Frequently Asked Questions (FAQs) – Applicable to Mutual Funds****1. What is Form No. 121 and its purpose?**

It is a self-declaration by a taxpayer to the effect that tax on his estimated total income for Tax year will be NIL, with a view to avoid deduction of tax at source. It is required to be submitted to the concerned payer. Based on such declaration, the payer will not deduct tax on income or credit due to the taxpayer.

2. Has the Form No. 121 replaced the existing Forms 15G & 15H?

Yes, the new Form No. 121 has replaced the earlier Forms 15G & 15H. Now, both type of taxpayers i.e. taxpayers below the age of 60 as well as taxpayers of the age of 60 and above, will use Form No. 121 for submitting declaration to avoid relevant income from being subjected to TDS.

3. Who Should file the Form 121?

Resident Individuals both below 60 years and 60 years or above, HUFs, and other specified entities meeting stipulated criteria.

4. Can an investor submit form 121 for dividend received from a Mutual Fund?

Yes, an investor can submit form 121 to Mutual fund for the dividend income.

5. What is the eligibility for filing Form 121?

You can submit Form No. 121 only if (i) You are a resident individual or HUF/trust (not a company or firm) and other specified entities meeting stipulated criteria (ii) Your final tax liability for the year is NIL based on your total income including interest and other TDS-liable income (iii) You possess a valid PAN.

6. When should the Form 121 to be filed?

The declaration must be submitted to the payer before the income is credited or paid typically at the beginning of the Tax Year or before the first payment.

7. What is the meaning of 'tax year' mentioned in the form 121?

Under the Income Tax Act 2025, the terms Assessment/ Financial/Previous Year are replaced with the single term "Tax Year" which means the current financial year. Therefore, for the 2026–27 period, the Tax Year will run from 1 April 2026 to 31 March 2027.

8. For which Mutual Fund incomes can Form 121 be submitted?

Form 121 can be submitted for Dividend income received from Mutual Funds. It does not apply to capital gains, as TDS is not deducted on capital gains for resident investors.

9. Is Form 121 mandatory for Mutual Fund investors?

No. Form 121 is optional and only required if the investor wants to avoid TDS deduction despite crossing the TDS threshold applicable for Mutual Funds and having "nil" tax liability. If Form 121 is not submitted, TDS will be deducted by default as per the applicable rules.

Operations Centre:

KFin Technologies Limited, Selenium, Tower B, Plot No-31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500032, Telangana, India.

KFin Technologies Limited**Registered Office:**

KFin Technologies Limited, 301, The Centrium,
3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada,
Kurla (West), Mumbai - 400 070, Maharashtra

CIN: L72400MH2017PLC444072

10. Can senior citizens submit Form 121 for MF dividend income?

Yes. Senior citizens can submit Form 121 even if their total income exceeds the basic exemption limit, provided tax on his estimated total income for Tax year will be NIL. This benefit existed earlier as well under Form 15H and continues under Form 121.

11. What details are required in Form 121 for Mutual Funds?

Key details include:

- PAN is mandatory
- Investor name, address, email id and mobile number
- Residential status
- Tax Year
- Details of income/ Investment for which no TDS is to be deducted
- Estimated MF income
- Estimated total income for the Tax Year
- ITR acknowledgement numbers for last two Tax Years
- Self-declaration of nil tax liability

12. Is PAN mandatory for submitting Form 121 to Mutual Funds?

Yes. Form 121 is PAN-based. If PAN is invalid or not available, then Form 121 becomes invalid. Mutual Funds will deduct TDS at higher rates, as applicable.

13. Can Form 121 be submitted online to Mutual Funds?

Yes, AMCs / RTAs may accept Form 121 through:

- Online investor portal
- Physical submission (as permitted)

Mode of submission depends on AMC/RTA operational policy.

14. Who Cannot File?

Companies & Firms, Non-Residents, Investors having Taxable income.

15. Key points to note:

- Form 121 does NOT make income tax-free
- It only avoids TDS
- Income must be disclosed in ITR

16. Multiple submissions allowed?

Yes, allowed only in the below circumstances

- If there are any new income from the same deductor
- Correction of errors in earlier submissions
- Change in estimated income during year

17. Form 121 – Who Fills Part A and Part B?

Form 121 has two distinct parts, and responsibility is clearly divided between the declarant (Investor) - [Part A] and the payer (deductor) [Part B].