



What Budget 2026 changes mean for NRI real estate investments



The Union Budget 2026 has simplified the process for resident buyers purchasing immovable property from non-resident Indians (NRIs) by replacing the requirement of a Tax Deduction and Collection Account Number (TAN) with a Permanent Account Number (PAN) for deducting tax at source (TDS).

Finance Minister Nirmala Sitharaman said during her budget speech, “It is proposed to provide that resident individual, or HUF, shall not be required to obtain a tax deduction and collection account number (TAN) to deduct tax at source in respect of any consideration on transfer of any immovable property by non-resident under section 193(2). Instead, the deduction shall be reported by quoting the PAN in same.”

Experts welcomed the move as a practical improvement for real estate transactions.

Archit Gupta, Founder and CEO of ClearTax, said, “Simplifying NRI property sales is a structural improvement. Allowing resident buyers to deduct TDS without needing a TAN removes major friction in real estate transactions and should help speed up secondary market sales.”

The budget also signals continued support for real estate investment and infrastructure development.

Amit Chopra, President of NAR India, noted, “The removal of the TAN requirement for NRI property sales simplifies compliance, while infrastructure spending and initiatives like REITs for monetising CPSE assets could unlock value and attract institutional capital. However, expectations

such as higher home loan interest deductions and revised affordable housing definitions remain unaddressed.”

First Published: Feb 2, 2026 6:07 PM IST

Check out our in-depth *Budget 2026* coverage and ***Income Tax*** updates on CNBC-TV18. Explore more *India & World* news, Explainers and Interviews on CNBC TV18. Also, Watch our channels ***CNBC-TV18, CNBC Awaaz*** and ***CNBC Bajar*** Live on-the-go!

Link:(<https://www.cnbctv18.com/budget/budget-2026-changes-mean-nri-real-estate-investments-pan-tan-tds-ws-l-19840012.htm>)