

**IRS****News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 9/25/02****Release No: IR-2002-101****U.S.-INDIA AGREE TO SUSPEND COLLECTION OF TAXES DURING MUTUAL AGREEMENT PROCEDURE**

WASHINGTON – The Competent Authorities of the U.S. and India, under the U.S.–India Double Taxation Convention, have agreed on a procedure to defer assessment or suspend collection of taxes, including any related interest or penalties, during a negotiation regarding potential or actual tax assessments under the Mutual Agreement Procedure Article of that Convention. The Competent Authorities have considered the hardship taxpayers potentially face during the process of a MAP negotiation, and believe that this arrangement will mitigate the same and facilitate the efficient processing of MAP cases.

To view the text of the U.S.-India MOU agreement, go to [www.irs.gov](http://www.irs.gov) and click on "Businesses" in the "contents" area, then choose "International Businesses."

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