

TAXATION OF CHARITIES UNDER INCOME TAX ACT - RECENT DEVELOPMENTS

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Exemption u/s. 10(23C)

- Mani charities did not have registration for the FY 2020-21
- It runs one educational institution and filed return claiming exemption u/s. 10(23C)(iiiad)
- The AO, in scrutiny assessment had held that the object clause of the trust deed contains multiple objects and hence the trust is not eligible for exemption u/s. 10(23C)(iiiad)
- The CIT (A) also endorsed the view of the AO by drawing support from the rulings of the Hon. SC in new noble case
- Option available to the assessee trust???

Sec 11/12 Vs Sec 10(23C)

- Anand public charitable trust is engaged in running a matriculation school only
- Its gross fee receipts was only Rs.1.75 crores
- It has surplus of Rs.45.00 lakhs
- It has registration u/s. 12AB
- For FY 22-23, it could not file ROI and AR before the due date
- It filed ROI in Dec 23 by opting exemption u/s. 10(23C)(iii) instead of sec 11
- In the column in ITR, the exemption was claimed for Rs.0.45 crores (Gross receipts - 1.75 crores less Expenses - Rs.1.30 Crores)
- On 2-1-2024, CPC sent proposal for adjustments u/s. 143(1)(a), to add Rs.1.30 crores since the exemption was claimed only for Rs.0.45 crores out of Rs.1.75 crores.
- Remedies available to the trust??

SEC. 12A - CONDITION FOR EXEMPTION

- (1) The provisions of section 11 and section 12 shall not apply in relation to the income of any trust or institution unless the following conditions are fulfilled, namely:—
 - ac) the person in receipt of the income has made an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for registration of the trust or institution,—
 - (i).... (ii)....
 - (iii)..... (iv)..... (v)

SEC. 12A(1) - CONDITION FOR EXEMPTION

(vi) in any other case, where activities of the trust or institution have—

- (A) not commenced, **at least one month prior to** the commencement of the previous year relevant to the assessment year from which the said **registration is sought**;
- (B) **commenced and no income or part thereof** of the said trust or institution **has been excluded** from the total income on account of applicability of sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10, or section 11 or section 12, **for any previous year ending on or before the date of such application**, at any time after the commencement of such activities,

and such trust or institution is registered under section 12AB;

CONDITIONS FOR EXEMPTION

- Muthu public charitable trust was in existence for last 5 years running matriculation school
- It did not obtain registration under IT Act but availed benefit u/s. 10(23C).
- It wants to apply the registration now.
- Course of action??
- Kavin Charities obtained provisional registration for 3 years from FY 2021-22.
- It started operation in the said FY 2021-22 and filed ROI claiming exemption u/s. 11.
- It **did not file** form seeking regular registration upto 29-02-2024
 - **Cir 7 of 24.05.2024 - time available upto 30.06.2024**

CONDITIONS FOR EXEMPTION

- Kumar Charities was newly formed on 22-10-2023.
- It did not commence its operation upto 31-01-2024
- It anticipates a donation of Rs.10 lacs coming to it before the year end
- It applied for registration on 1-2-2024
- Eligibility for the FY 2023-24?
- not commenced, **at least one month prior to** the commencement of the previous year relevant to the assessment year from which the said **registration is sought;**
- **Circular No. 6/2023 dated 24.05.2023.**

CONDITIONS FOR EXEMPTION

Previous year defined:

3. For the purposes of this Act, "previous year" means the financial year immediately preceding the assessment year :

Provided that, in the case of a business or profession newly set up, or **a source of income newly coming into existence**, in the said financial year, the previous year shall be the period beginning with the date of setting up of the business or profession or, as the case may be, **the date on which the source of income newly comes into existence and ending with the said financial year.**

SEC. 12A(1) - CONDITION FOR EXEMPTION

- (b) where the total income of the trust or institution as computed under this Act without giving effect to the provisions of sections 11 and 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year,—
- (i) the books of account and other documents have been **kept and maintained in such form and manner and at such place, as may be prescribed**; and
 - (ii) the accounts of the trust or institution for that year have been audited by an accountant defined in the Explanation below subsection (2) of section 288 before the specified date referred to in section 44AB and the person in receipt of the income furnishes by that date the **report of such audit in the prescribed form** duly signed and verified by such accountant and setting forth such particulars, as may be prescribed

CONDITION FOR EXEMPTION

- Anbu Trust registered under 12AB filed its return of income.
- Its gross receipts was Rs.1.5 Crores.
- Application of income
 - on revenue account was Rs.1.10 Crores and
 - on capital account was Rs.0.20 Crores
- The auditor filed the audit report in Form No:10B instead of Form 10BB
- CPC sent proposal for adjustments u/s. 143(1)(a), to disallow the entire application claimed, since the audit report in Form 10BB was not filed within the stipulated time
- Remedies available.....
 - To file revised audit report in correct form on or before 31-03-2024
 - **CBDT Circular No. 2/2024 dated 5.3.2024**

CONDITION FOR EXEMPTION

- Appu charities registered under IT Act and FCRA
- During the FY 2022-23,
 - no foreign contribution received
 - Gross receipt from activities - Rs.70 lacs.
- However, interest on SB Account designated for FC was received
- Audit report - **Form 10B/10BB?**
- Kavya charities, registered under IT Act, runs a hospital
- During the FY 2022-23,
 - Gross receipts from hospital - Rs.3.5 Crores
 - Imported from Germany, an equipment for Rs.2 Crores
 - Amount settled in FC, out of own funds & Borrowing
- Audit report - **Form 10B/10BB?**

SEC. 12A(1) - CONDITION FOR EXEMPTION

- ba) the person in receipt of the income has furnished the return of income for the previous year in accordance with the provisions of sub-section (4A) of section 139, within the time allowed under **sub-section (1) or sub-section (4) of that section;**

CONDITION FOR EXEMPTION

- Krishna charities has been in existence for 10 years.
- Its registration was renewed in FY 2021-22 for 5 years
- For the FY 2022-23, the trust
 - Could file Audit report on 29-10-2023
 - could not file ROI for the FY 2022-23 within due date (Extended upto 30-11-2023)
- ROI was filed on 03-12-2023
- What are the consequences?
- Whether the ROI could be filed after 31-12-2023?

CONDITION FOR EXEMPTION

- Arun public charitable trust filed, for the FY 2022-23
 - Audit report on 15-10-2023.
 - Form No: 10 on 29-11-2023
- It could not file ROI before 30.11.2023
- Hence ROI was filed belatedly on 05.12.2023
- What are the consequences?
- Sec 13(9)
Nothing contained in **sub-section (2) of section 11** shall operate so as to exclude any income from the total income of the previous year of a person in receipt thereof, if—
 - (i) the **statement** referred to in clause (a) of the said sub-section in respect of such income **is not furnished on or before the due date specified under sub-section (1) of section 139** for furnishing the return of income for the previous year; or
 - (ii) the **return of income for the previous year is not furnished by such person on or before the due date specified under sub-section (1) of section 139** for furnishing the return of income for the said previous year.

COMPUTATION OF INCOME

Sec 11.

(1) Subject to the provisions of sections 60 to 63, the following **income shall not be included** in the total income of the previous year of the person in receipt of the income—

(a) **income derived from property** held under trust wholly **for charitable or religious purposes**, to the extent to which such income is applied to such purposes **in India**; and, where any such income is accumulated or set apart for application to such purposes in India, to the extent to which the income **so accumulated or set apart is not in excess of fifteen per cent** of the income from such property;

COMPUTATION OF INCOME

- Income not included in total income
 - Gross receipt?
 - Income net of expenses?
 - Surplus?
 - Where business u/s. 11(4/4A)
- Unconditional exemption of 15%
 - Is it a standard deduction?
 - Not required to be invested u/s. 11(5)?
- Treatment of artificial disallowance
 - By invoking sec 40(a)(ia)/40A(3)
 - Corpus donation to another registered trust
 - Non-corporate Donation to another trust - balance 15%
 - **Cir 3 of 2024 dt 6.3.2024**
- **Application v Objects**

Modification/ change in objects

- Sec 92 of Civil procedure code 1908
 - Ss(3) - Alteration of original purposes in specified circumstances
 - No power to delete - Sakthi Charities - Mad HC
- Sec 26 of the Specific Relief Act 1963
 - Rectification of the mistake in the instrument - when the real intention is not expressed - when settlors alive
- Sec 7 of Charitable and Religious trust Act 1920
 - Trustee may apply seeking opinion/advise/direction of the court, relating to administration of the trust property or management (when no petition u/s. 92 of CPC 1908 pending)

COMPUTATION OF INCOME

- Application only when payment made
 - Relevance of sec 40A(3A)
 - Applicability when cash system followed
 - Usefulness of filing form 9A
 - No automatic conversion of mercantile into cash
 - Advances paid
- Restriction on application
 - Out of corpus
 - Out of loan/borrowing
 - To cover up earlier year deficit
 - Repayment of loan borrowed prior to 31.03.2021
 - Repayment of loan borrowed after 01-04-21 - beyond 5 years
 - Recoupment of corpus after 01-04-2021 - beyond 5 years

COMPUTATION OF INCOME

- Corpus to remain invested in mode prescribed u/s. 11(5)
 - Treatment of withdrawal of corpus
 - in the year of receipt
 - In the subsequent years
 - Treatment of replenishment of corpus - subsequently
 - Conditions & no. of years
- In the year of application, no violation of
- a) Donating as corpus to another trust/ income applied outside India.
 - b) Sec 40A(3) or sec 40(a)(ia)
 - c) Loss b/f not set off
 - d) Recoup within 5 years from the end of the year of application
 - e) Sec 13(1)(c)
 - f) Applied by payment of cash

COMPUTATION OF INCOME

- Appu charities registered u/s 12AB makes the computation as under:

• Total income	Rs.200 L
• u/s. 11(1)(a) - 15%	Rs. 30 L
• Balance	Rs.170 L
• Amount spent	
• On revenue Account	Rs. 140 L
• On Capital Account	Rs. 40 L
• Loss	Rs. 10 L

- Loss eligible?

- **Shree Surat Jilla Leuva Patidar Samaj Trust - 176 ITD 69 (Surat) (Trib.)**

- Balaram foundation, regd trust, makes the following claim in its ROI

	Y1	Y2
• Total Income	Rs.100	Rs.200
• u/s. 11(1)(a)	Rs. 15	Rs. 30
• Balance	Rs. 85	Rs.170
• Amount spent	Rs. 10	Rs. 20
• Claim u/s 11(2)	Rs. 75	Rs.150
• Correctness of claim u/s. 11(2)?		

COMPUTATION OF INCOME

- Vijayaraja charities, registered under IT Act, let out lodging house and commercial complex - as a fund raising measure - for doing charities
- It wants to claim deduction u/s. 24(b) - 30% - before proceeding u/s. 11.
 - Nandlal Tolani Charitable trust - 176 ITD 769 (Mum ITAT)
- Boloram charities, registered under IT Act, sold one immovable property for Rs.2 Crores
- The cost of acquisition was Rs.70 lacs (indexed cost 2.1 Cr)
- It had invested the proceeds in FD with Scheduled bank for 6 months
- Claim u/s. 11(1A) vs 11(2)

COMPUTATION OF INCOME

- Velmurugan charities, having 12AB registration, runs a school
- The transport division of the school resulted in loss.
- The training centre of the school - to impart practical training - also resulted in loss
- The income from school was utilised to fund the losses
- In the scrutiny assessment, the AO is of the view that
 - as per 11(4A), income of incidental business can be claimed exempt if applied for charitable purpose
 - However, loss of incidental business is not eligible to be reduced income from main activity

COMPUTATION OF INCOME

SEC 13(10/11)

- Where Audit report or ROI not filed within time allowed u/s. 139(4A) or Proviso to Sec 2(15) applies, the income shall be computed after allowing expenditure for objects (**other than capital expenditure**) but without allowing
 - **depreciation** on asset claimed as application of income
 - Expenditure out of corpus fund at the beginning of the year,
 - Expenditure out of loan or borrowing,
 - Expenditure not in the form of contribution or donation to any person
 - On expenditure - sec 40(a)(ia) and Sec 40A(3)/(3A) would apply
- No set off of losses shall be allowed under other provisions of the Act.

COMPUTATION OF INCOME

- Ambika charitable trust regd under 12A for the last 20 years, had following gross receipts and application during the FY 2022-23

Nature of receipts	Gross	Expenses	Net
Letting out marriage hall	50 L	20 L	30 L
Letting out shops	20 L	5 L	15 L
Bank interest	5 L		5 L
Total	75 L	25 L	50 L
Scholarship given			10 L

- Advise taxability (Ref: Sec 2(15), Sec 13(10))

Power to cancel registration by (P) CIT - S 12AB(4)

- (P)CIT can assume jurisdiction only when
 - He has noticed occurrence of one or more **specified violations**
 - He has received a reference from the AO u/s. 143(3) - second proviso
 - The case has been selected under RMS for any PY
- After assuming the jurisdiction, (P)CIT can
 - Call for documents, info to satisfy himself about occurrence or otherwise of specified violation
 - Pass order cancelling the regn for the said PY and all subsequent PYs if he is satisfied that one or more **specified violation** has taken place
 - Pass order refusing to cancel the regn if he is satisfied that one or more **specified violation** had not taken place
 - Forward the copy of the order to AO and assessee
- Order to be passed within 6 months from the end of the quarter in which the first notice received calling for info, documents, etc

Specified violation - sec 12AB(4) - Expl

- Activity is not genuine
- Income applied other than for objects of the trust
- Not complying with any law material for achieving the objects (order not appealed or attained finality)
- Activity not carried out in accordance with the **conditions of regn**
- Income applied for private religious purposes
- Income applied for a particular religious community or caste (**Cl. 43 of Form No:10B**)
- Derives income from business which is not incidental to its objects
- Derives income from business incidental to its objects but separate books are not maintained for it
- *the application is not complete or it contains false or incorrect information (w e f 1-4-2023).*

Consequences of cancellation - S.115TD

- Sec 115TD would apply, if the trust
 - **Converts** into another form not eligible for registration u/s. 12AA/12AB
 - **Merges into another trust** which does not have
 - similar objects **and**
 - registration u/s. 12AA/12AB
 - Upon dissolution, **fails to transfer all its assets**, within twelve months from the end of the month of dissolution, to another trust having registration u/s. 12AA/12AB or approval u/s. 10(23C)
- Consequences - tax on accreted income @ MMR (30% + 12% SC +4% Cess - 34.944%)

Tax on Accreted Income - sec 115TD

- Meaning of **conversion** into another form not eligible for registration u/s. 12AA/12AB
 - Registration u/s. 12AA/12AB or approval u/s. 10(23)(iv/v/vi/via) **cancelled**
 - Adopted / undertaken **modification of objects** which do not confirm to the conditions of registration and
 - Not applied for fresh registration in the previous year of change **OR**
 - Fresh application is rejected
 - **Fails to make application for renewal within the specified period (w e f 1-4-2023)**
 - Existing cases, provisional regn cases (**Cir 7 dt 25-04-2024 - time extended upto 30-06-2024**)

Meaning of accreted income

- On the “**specified date**”
- Aggregate **fair market value** of the Total assets XXXX
- Less: FMV of Assets directly acquired out of agricultural income u/s. 10(1) XXXX
- FMV of Assets acquired prior to regn XXXX XXXX
- Net assets XXXX
- Less: The liabilities XXXX
- Accreted income XXXX

Meaning of accreted Income - contd...

- Meaning of **Specified date**,

When there is	Specified date is
Cancellation of registration	date of order of cancellation
Modification of objects	date of adoption/modification of objects
Merger into another trust	date of merger
Failure to distribute to another trust within twelve months	date of dissolution
Failure to make application for renewal	Last date for making such application for renewal (w e f 1-4-2023)

FMV of assets / liabilities - as per B/S on **specified date** (audited) - Rule 17CB

- Asset **shall not include**
 - Income tax / deferred expenses
- Shares - quoted - as per quote
- Shares - unquoted - similar to Rule 11UA
- Immovable properties - higher of SDV and value as per Registered valuer report
- Others - FMV as per Registered valuer report
- Liabilities - as per b/s but **does not include**
 - Capital/corpus/any other fund
 - Accumulated reserves
 - Provision for
 - Unascertained liabilities
 - Contingent liabilities
 - Income tax
- **Note: In case of dissolution of trust, assets transferred to another trust within 12 months shall be excluded**

Tax on accreted income - time of payment

Scenarios	Payment to be made within 14 days from
In case of cancellation of registration	<ul style="list-style-type: none">a) When no appeal filed, the time to file appeal to ITAT expiresb) When appeal is filed, the date of receipt of appeal order confirming the cancellation
In case of modification or adoption of objects	<ul style="list-style-type: none">a) When no appeal filed, the time to file appeal to ITAT expiresb) When appeal is filed, the date of receipt of appeal order confirming the rejection
<ul style="list-style-type: none">b) When no application for fresh registration filed	The end of the financial in year in which adoption/ modification of objects takes place

Tax on accreted income - time of payment

Scenarios	Payment to be made within 14 days from
In case of merger into another ineligible trust	Date of merger
In case of non - distribution of assets to eligible trust or institution within 12 months	Date on which period of 12 months expires

Tax on accreted income - Other points

- Notwithstanding that no income tax payable by trust, tax on Accreted Income is payable
- Tax on Accreted Income is final payment and credit shall not be given for such tax payment to the trust or any other person
- No deduction shall be allowed under any other provisions of the Act to the trust or any other person
 - In respect of income computed (AI) OR
 - Tax thereon
- Delayed payment of tax invites interest @ 1% pm or part thereof - sec 115TE
- Non payment - Principal officer - AID - Asset transferred - Recipient trust is AID to the extent of asset received - Sec 115TF

Tax on accreted Income

- Balamani Charities was formed in FY 2021-22
- It obtained provisional registration in FY 2021-22 for 3 years - upto 31.03.2024
- It did not commence any activities in FY 2021-22 and FY 2022-23
- Its activities in FY 2023-24 are as follows
 - Gross receipts -Rs.3.5 lacs
 - Application - Rs.2.5 lacs
 - Surplus - Rs.1.00 lacs
- It applied for regular registration in FY 2023-24
- The application was rejected as necessary evidences were not produced to CIT (E)
- Existing provisional regn also cancelled.
- Issues:
 - Whether sec 115TD would apply?
 - Can it apply for fresh registration again?

Rate of tax for trust - S. 115BBI (cl.33 & 29 of Form No: 10B)

- In case of violation of following conditions, income shall be chargeable to tax @ 30% (with applicable SC & E Cess)
 - Income accumulated in excess of 15% but not allowable
 - Income unutilised/mis-utilised etc u/s. 11(1B) or 11(3)
 - Income applied for specified person u/s. 13(1)(c)
 - Income remain invested in modes other than specified u/s. 11(5) - vide 13(1)(d)
- In computing the above income, no deduction towards, expenditure, losses or set off of losses shall be allowed
- In case of 13(1)(c) - only such income shall be chargeable - also penalty u/s. 271AAE - 100% of such sum (first time) -200% of such sum (subsequent years)

RATE OF TAX

- Beemshena charities is registered under IT Act
- For the FY 2022-23, following details are given
 - Gross receipts - Rs.12.00 L
 - Application - Rs. 9.75 L
 - Balance - Rs. 2.25 L
- 15% of Income - Rs.1.8 L
- Tax payable???
- Abhinidhi charities is registered under IT Act
- For the FY 2022-23, following details are given
 - Gross receipts - Rs.80.00 L
 - Expenses - Rs.78.00 L
 - Balance - Rs. 2.00 L
- Out of exp - disallowance u/s. 40A(3) - Rs.3 lacs
- Tax payable???

RATE OF TAX

- Arjun Foundation is a registered trust under IT Act
 - For the FY 2022-23, following details are given
 - Gross receipts Rs.80.00 L
 - Outflow Rs.78.00 L
 - Balance Rs. 2.00 L
 - Out of outflow - payment to trustee - Excess rent - Rs.4 lacs
 - Tax payable - ???
 - Ref: S. 115BBI
- Mahadev charities is a registered trust under IT Act
 - For the FY 2022-23, following details are given
 - Gross receipts - Rs.80.00 L
 - Outflow - revenue Rs.68.00 L
 - Outflow - Capital Rs.10.00 L
 - Balance Rs. 2.00 L
 - ROI could not be filed before 31-dec 2023.
 - Notice u/s. 148 came and in response, ROI Filed.
 - Tax payable??? (Ref: S.13(10))

RATE OF TAX

- Sahadev charities is a registered trust under IT Act
- For the FY 2022-23, the trust received following Voluntary Contribution (VC)
 - Corpus VC Rs. 80.00L
 - Non-Corpus VC Rs. 60.00L
 - Anonymous VC Rs. 10.00L
 - Total Rs.150.00L
- Corpus VC deposited in Bank; Non corpus and Anonymous VC spent fully.
- Taxable Anonymous VC?? (Ref. Sec 115BBC)

Educational institution -

New noble Educational society - SC

- Existing **solely** - not to have any other objects in the charter documents (for sec 10(23C) approval cases
 - **Its impact in sec 10(23C)(iiiad/iiiie) cases?**
- CIT can inquire when application is pending
 - except for existing and new regn cases - as per sec 12AB
- Incidental activities allowed
 - Feeding charity - not incidental - **other income derived from outsiders??**
- Other legislature should be followed
 - **impact in PF, ESI, fees fixation committee regulations, etc**
- Capitation fees collected - eligibility for sec 12A
 - **Travancore Education Society - 431 ITR 50(SC)**

General public utility -

Ahd Urban Development authority - SC

- Circulars not binding even on IT authorities, if contradiction to law.
- Education –by formal schooling – Loka sikshana trust - 1975 ruling – SC
- Business held under trust Vs Business carried on by trust – Thanti Trust – explained
- In the course of carrying on objects – incidental business can be carried on – but subject to ceiling – 20% of total receipts
- “on cost basis” or “nominally above cost” allowed – significantly above cost – proviso applies and ceiling to be followed

General public utility - Ahd Urban Development authority - SC

- Statutory corporations – not liable
- Professional bodies (including ICAI) – GPU – markedly higher prices – proviso to sec 2(15) and 11(4A) applies
- Trade promotion bodies – GPU – Proviso to sec 2(15) and 11(4A) would apply
- Running kalyanamandapan – at nominal rates – no issue – but higher rates – GPU – subjective

Charitable/religious trust - certain decisions

- Virtual class rooms imparting education is also charitable u/s. 2(15)
 - **if curriculum approved**
 - NIIT Foundation - 2020 (5) TMI 628 ITAT Del - **(to be tested as per SC ruling)**
- Catering service/hostel run by school is also part of imparting education- income from such activities exempt**(for 15% gross /net?)**
 - **Wood stock school - 175 ITD 722 (DEL)**
 - **Shree Deshi Lohana - 2020 (7) TMI 42 ITAT AMHD**
 - **Harish Chand Ram Kali Charitable Trust - 2020 (5) TMI 555 ITAT Del**
- Pharmacy store run by hospital is also part of medical service - income is exempt **(for 15% gross /net?)**
 - **National Health & Education Society - 2020 (3) TMI 505 (Bom HC)**

Charitable/religious trust - certain decisions

- Executing the job of cleaning the railway coaches by employing poor persons - not a charity
 - Mahatma Gandhi Charitable Society. 415 ITR 27 (Ker) (HC)
- Providing midday meals to poor people by collecting money from govt agencies - not a charity
 - M/S. Annadan Trust - 2018 (8) TMI 518 (Ker HC)
- Reasonable rent paid to trustees - not bar to claim exemption
 - Bholaram Education Society - 260 Taxman 369 (Guj HC)

Sec 80G

- Durga Charities is a trust registered provisionally u/s. 12AB and provisional recognition u/s. 80G.
- The forms for regular registration/ recognition could not be filed within the stipulated time.
- Consequences
 - For belated filing of forms?
 - For non-filing of forms, if the trust does not want to apply
- **Cir 7 dt 25-04-2024 - upto 30.06.24**
- Mangala charities is a registered trust claiming exemption u/s 11 & 12 for last 20 years
- First time, it applied for registration u/s. 80G(5) on 1-11-2023
- Whether it is eligible for recognition?

Sec 80G

- **Sec 80G(5).....**
- **Provided** that the institution or fund referred to in clause (vi) shall make an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for grant of approval,—
 - (iv) in any other case, where activities of the institution or fund have--
 - (A) **not commenced**, at least one month prior to the commencement of the previous year relevant to the assessment year from which the said approval is sought;
 - (B) **commenced and where no income** or part thereof of the said institution or fund **has been excluded** from the total income on account of applicability of sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 or **section 11 or section 12 for any previous year** ending on or before the date of such application, at any time after the commencement of such activities:

Sec 80G

- Muthu Kannan Trust has got valid registration u/s. 12A and recognition u/s. 80G of the Act
- During the FY 2022-23, it had received donation for Rs.55 lacs from various persons.
- Since the number of donors is very high, the trust has decided to upload the details of donors having donated Rs.10000 and above.
- One of the trustees of the trust is having apprehension that the balance of donation (details not given in form No: 10BD) may be treated as anonymous donation in the assessment.

Any questions ???.....

THANK YOU