



## Archdiocesan Institutions' Central Office

Archdiocese of Ernakulam – Angamaly

Catholic Centre, Broadway, Ernakulam, Kochi 682 031, Kerala, India

Tel: 0484-2352300 Mob: 8547881730 E-mail: aicoekm@gmail.com

AICO/GEN/ 0765/2020

1<sup>st</sup> December 2020

To,

### All Archdiocesan Institutions

Dear Rev. Father,

Sub: Amendments under the Income Tax Act in respect of charitable institutions - The Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020

We have through our letter AICO/GEN/0650/2020 dated 14<sup>th</sup> March 2020 informed you in detail the amendments under Income Tax Act in respect of Charitable Trusts and Societies. The copy of the said letter is enclosed as Annexure-I for your ready reference. As detailed in our letter Finance Act 2020 has made sweeping changes with respect to the provisions related to Trusts, Societies and NGOs claiming exemptions under Sec 11 or Sec 12 of the Income Tax Act 1961. These amendments are related to registration procedure of all the existing registered Trusts, Societies and NGOs, renewal of registration and approval for deduction under section 80G and furnishing statement of donations received to the Income Tax authorities. The important Sections of the Income Tax Act applicable to Charitable Trusts and Societies in this regard are furnished below:

- Sec. 2(15) : Definition of Charitable Purpose
- Sec. 10(23 C) : Exemption from Income for approved universities/educational institutions/hospitals/ medical institutions
- Sec. 11 : Income from property held for charitable or religious purposes
- Sec. 12 : Income from voluntary contributions of trusts
- Sec. 12A : Conditions for applicability of sections 11 and 12
- Sec. 12AA : Procedure for registration
- Sec. 12AB : New procedure for fresh/renewal of registration
- Sec. 13 : Sec. 11 not to apply in certain cases
- Sec. 115TD : Tax on Accreted Income

As per the above amendment of the Income Tax Act all the existing registrations, and approvals, granted by the Income Tax Department to the exempted institutions under section 10(23C), 12 AA and 80 G will become inoperative and that all such institutions shall have to apply afresh before **1<sup>st</sup> April 2021.**

**Appropriate Authority for Application:**

The application shall be made online by Filing **Form 10A** along with the required documents to the Commissioner or Principle Commissioner who shall pass an order granting approval or rejection.

Further, in case where Commissioner or Principle Commissioner is satisfied that the charitable/religious trusts institution etc. have not complied with the objects mentioned or any other law, shall cancel the registration of charitable/religious trusts institution etc. after providing the reasonable opportunity of being heard.

Similarly there are different time limits under different categories which can be summarized below:-

<u>Category</u>	<u>Time Limits</u>
Institutions already registered under section 12A or 12AA or having certificate under section 80G	: By 1 <sup>st</sup> April 2021
Institutions who have obtained registration under section 12AB	: 6 months prior to the expiry of tenure of 5 years (refer the Validity Period of Registration Paragraph)
Institutions that have provisionally obtained registrations under section 12AB	:6 months prior to the expiry date of the provisional registration; or Within 6 months of the commencement of its activities; Whichever is earlier.
Where institutions have modified the objectives	: Within 30 days from the date of such modifications.
In any other case	: At least one month prior to the commencement of the previous year.

**Validity period of Registration:**

The registration once granted shall be valid for 5 years.

**Registration Procedure:**

1. The application can be made by filing form 10A online on the income tax site **incometaxindiaefiling.gov.in**
2. The form is available on the income tax website under Income Tax Forms Section under e-file menu which is visible after login on the website.

**Details required to be furnished in Form 10A:**

1. Name of the Trust, Society or Institution.
2. PAN details of the Trust, Society or Institution.
3. Registered Address of the Trust, Society or Institution.
4. Select the type of Trust:- Religious/ Charitable
5. E-Mail and Mobile number of the Managing Trustee/Chairman/Managing Director/Any authorized person by whatever name called
6. Legal Status of the Trust
7. Objects of the Trust
8. Date of Modification of Objects, if any.
9. Whether the application granted in the past is rejected or the registration is cancelled? If yes, details of the order cancelling the same.
10. Trusts/ Societies and institutions registered under FCRA, 2010 shall furnish details of the same.

**Documents are required to be annexed to the application in Form 10A:**

1. Registration Certificate and MOA / Trust Deed (two copies- self attested by the Managing Trustee)
2. NOC from the Landlord where registered office is situated (if place is rented)
3. Copy of PAN card of Trust.
4. Electricity Bill/ House Tax/ Water Bill.
5. Evidence of welfare activities carried out and progress report of the same since 3 years or since inception.
6. Books of Accounts, Balance Sheet, and ITR (if any) since inception or last 3 years.
7. List of Donors with their PAN and address.
8. List of Governing body or members of the trust/ Institution with contact details
9. Trust Deed for verification of Original Registration Certificate and MOA.
10. Any other information / document as may be asked by the Income Tax Department.

**Conclusion:**

Every trust/ Society or Institution which are already in existence will have to mandatorily renew the certificate granted under section 12A, 12AA, 80G or section 35 within the time limit prescribed which is latest by 1<sup>st</sup> April 2021

In case of new Trusts/ Society or Institutions they will have to apply for registration under section 12AB within the time limit prescribed

All the institutions are therefore requested to take necessary steps to obtain the new registration in consultation with the Chartered Accountant entrusted with the statutory audit so that the applications for the new registrations can be submitted well within the time.

Regards



Fr. Xavier Thelakkatt  
Director