

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4633
ANSWERED ON:23.12.2005
TAX EXEMPTION FOR SPORTS DONATION
Jindal Shri Naveen

Will the Minister of FINANCE be pleased to state:

- (a) whether any MOU has been signed with Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) for promotion of sports;
- (b) if so, the details thereof;
- (c) whether it is proposed to allow substantial tax exemption on the donations made by Indian industry for developing Olympic disciplines;
- (d) if so, the details thereof; and
- (e) if not, the reasons thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) Yes, Sir.
- (b) One MOU has been signed between the Confederation of Indian Industry (CII) and Indian Olympic Association (IOA) and the other between Federation of Indian Chamber of Commerce and Industry (FICCI) and Sports Authority of India (SAI).
- (c) Though there is no such proposal in both the MOUs any sum paid by a company as donation to the Indian Olympic Association or to any other association or institution notified by the Central Government for development of infrastructure for sports and games or for sponsorship of sports and games is allowed as deduction under section 80G(2)(c) of the Income-tax Act, 1961. In addition, any sum paid to the National Sports Fund set up by the Central Government is also entitled to deduction in the hands of the donor under the provisions of section 80G(2)(a)(iii) of the Income-tax Act, 1961.
- (d) & (e) In view of the reply to part (c) above, these do not arise.