

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3516
ANSWERED ON:16.04.2010
TAX EXEMPTION TO BCCI
Dhruvanarayana Shri R. ;Gowda Shri D.B. Chandre

Will the Minister of FINANCE be pleased to state:

- (a) the details of tax exemption granted to the Board of Control of Cricket in India (BCCI) and the grounds for granting such exemptions;
- (b) the total amount foregone by the Union Government because of this exemption during each of the last three years;
- (c) whether tax exemption to BCCI has been disallowed or discontinued or tax demand raised during the same period; and
- (d) if so, the details thereof alongwith the reasons therefor?

Answer

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

- (a): For the last three assessment years namely, Assessment Year 2007-08, Assessment year 2008-09 and Assessment year 2009-2010, BCCI has claimed its income to be exempt under section 11 of the Income Tax Act, 1961. However the exemption has not been granted for the Assessment Year 2007-08 and registration under Section 12A has been withdrawn. For A.Y 2008-09 and A.Y 2009-2010 the assessments are pending.
- (b): In view of (a), the question does not arise.
- (c): Yes Sir. A tax demand of Rs.118 crores has been raised for Assessment Year 2007-08 as exemption under section 11 was denied to the BCCI.
- (d): The exemption was disallowed for the A.Y. 2007-08, during scrutiny proceedings, as it was held that the Board of Control of Cricket in India (BCCI) is no longer promoting Cricket as a charitable activity and is now primarily a commercial entity.