

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4387

ANSWERED ON:20.08.2010

EXEMPTION FROM CONTRIBUTION TO CHARITABLE ASSOCIATIONS

Venugopal Shri K. C.

**Will the Minister of FINANCE be pleased to state:**

- (a) the eligibility criteria for non-government institutions and charitable trusts including Christian Missionaries to get exemption from income tax on donations and gifts received from various sources for carrying out the educational, religious and social works;
- (b) whether the guidelines in this regard are being revised and if so, the details thereof;
- (c) the name of the institutions of Chhattisgarh which received such exemption during the last three years; and
- (d) the details of amount of donations and gifts declared by the said institutions?

**Answer**

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

(a): In order to avail of exemption from income tax on donations and gifts received, the charitable trusts and non-government institutions are required to register themselves under Section 12AA of the Income Tax Act, 1961 with the jurisdictional Commissioner of Income Tax or Director of Income Tax (Exemptions) as the case may be. Further, such registration is granted after examining the objects of such institution and verifying that these objects constitute a charitable purpose which is defined in Section 2(15) of the Income Tax Act, 1961. After registration, the institutions or trusts are required to abide by the conditions laid out in Section 11, 12, and 13 so as to avail of the income tax exemption. Such institutions can also seek approval under Section 10(23C) from the Chief Commissioner of Income Tax or the Director General of Income Tax (Exemptions). In such a case, they are required to abide by the conditions laid down in Section 10(23C).

(b): Under the current Income-tax Act, there is no proposal to revise the guidelines.

(c): The name of the institutions of Chhattisgarh which received such exemption during the last three years are available as per Annexure.

(d): Separate details relating to donations and gifts received by an institution are not declared in the Income and Expenditure statement to be furnished with the returns of income tax filed by the institution.