

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1828
ANSWERED ON:16.08.2013
TAX ON DONATIONS
Pradhan Shri Amarnath;Ray Shri Rudramadhab

Will the Minister of FINANCE be pleased to state:

- (a) whether all the religious shrines in the country are liable to declare and pay taxes on donations being received by them every year;
- (b) if so, the details thereof indicating the rules and regulations laid down in this regard; and
- (c) the manner in which these taxes are utilised by the Union/State Governments

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J.D. SEELAM)

Part(a)&(b): (i) In so far as the taxes on income are concerned, income of religious shrines in the country is taxable unless specifically exempted.

(ii) In order to avail of exemption on income tax on donation received, the religious trusts are required to register u/s 12AA of the Income 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 object and activities of such institution. After registration, the institutions or trust 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 intuitions can also seek approval for exemption from Income-tax 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).

Part (c): There is no differential treatment in respect of manner of utilization of taxes received, if any, from such entities or from any other taxable entities.