

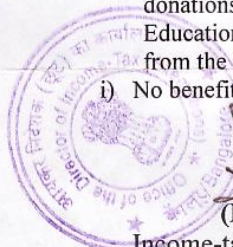
To: **COMMUNICATION FOR DEVELOPMENT AND LEARNING,**
11/A, 7th Cross, 17th Main,
Koramangala, 6th Block,
Bangalore – 560 095

Sub: Recognition u/s.80G(5)(vi) of the Income Tax Act, 1961 – reg:-

Ref: Your application filed: 29/06.2007.

With reference to your application cited above seeking **Recognition u/s.80G (5) (vi) of the I.T.Act, 1961**, this is to inform you that Recognition u/s.80G (5) (vi) of the Income Tax Act is granted to: **COMMUNICATION FOR DEVELOPMENT AND LEARNING from 29.06.2007 TO 31.03.2010.**

2. The donations made to the above institution/trust are exempt u/s.80G(5)(vi) of the I.T.Act, 1961 in the hands of the donors subject to the limits prescribed there in.
3. The grant of this recognition is subject to the following conditions:
 - a) The Trust must issue serially numbered and dated receipts to the donors duly signed by any one of the Trustees.
 - b) Receipts issued to the donors should bear the number and date of this Order as also the period of its validity.
 - c) Statement of accounts, receipts and payments account Income & Expenditure account, balance sheet and return of income should be submitted annually to the jurisdictional Assessing Officer within the due date specified under the Income Tax Act.
 - d) If further recognition is to be sought, an application has to be made to this office before expiry of the above period mentioned in this Certificate along with following details:
 - i) Note on activities of the Trust.
 - ii) Copies of acknowledgements of the returns filed for the period covered by the Certificate.
 - iii) Certificate u/s.13(1)(c) signed by all the trustees/managing committee members.
 - iv) Form No.10G in duplicate.
 - v) Copies of old 80G & 12A(a) registration certificate.
 - vi) Copy of audited accounts for last three years.
 - vii) Details of business activity if any.
 - viii) Names & addresses of Managing Committee Members.
 - ix) Details of donations given by the Trust.
 - x) Details of donation received by the Trust during the currency of this certificate.
 - e) This Certificate of exemption is given for the benefit of donors and shall be in force till the date of expiry or till the date of its cancellation which ever is earlier.
 - f) The Trust should maintain proper books of accounts and supporting vouchers/documents duly signed by the authorised persons and a certificate regarding compliance with these conditions laid down herein.
 - g) This certificate does not confer any right on the Trust/Institution/Society to claim exemption from Income Tax in its assessments. The Assessing Officer will independently examine whether the assessee Trust carried on its activities in accordance with the objectives in the relevant previous years and also the conditions laid down by Section 11,12, 12A(a)(b) and 13 and other applicable provisions of the Income Tax Act, 1961 and other allied Acts as amended from time to time are complied with and the activities of the assessee are charitable within the meaning of Section 2(15) of the Income Tax Act, 1961.
 - h) The Trust/Society should not issue receipts containing any reference to this approval in respect of donations/contributions/fees received in connection with granting of admission to the Educational Institutions run by your Trust/Society and in any other case, the amount collected from the beneficiary in lieu of any services rendered by the Trust/society.
 - i) No benefits of the activities should pass to the trustees.



(K.S.LATHA)
Income-tax Officer (E), W-17(1),
For Director of Income-tax (Exemptions),
Bangalore.

Sd/
(ASHUTOSH CHANDRA)
Director of Income tax (Exemptions),
Bangalore.

The following amendment has been made to the scheme of section 80G—

1. *Donation to trust engaged in "other public utility"* - Consequent to the amendment to section 2(15) by the Finance Act, 2008, a number of organizations have ceased to be charitable in nature. However, such institutions and trusts continued to collect donations during the financial year 2008-09 for funding relief work for floods in Bihar and other public purposes. The donors made these donations under a *bona fide* belief that they would be entitled to benefit under section 80G. With a view to mitigate hardship to the donors, a one-time relaxation has been given. For this purpose, section 80G(5) has been amended to provide that where an institution or fund has been approved under clause (vi) of section 80G(5) for the previous year 2007-08, such an institution or fund shall be deemed to have been established for charitable purposes and approved for the purpose of section 80G(5)(vi) for the previous year 2008-09.

2. *Five year time-limit will not be applicable to approval accorded by Commissioner* - Approval of the Commissioner under section 80G(5)(vi) has effect for such assessment year or years, not exceeding five assessment years, as may be specified in the approval.

Due to this limitation imposed on the validity of such approvals, the approved institutions or funds have to bear the hardship of getting their approvals renewed from time-to-time. This is unduly burdensome for the *bona fide* institutions or funds and also leads to wastage of time and resources of the tax administration in renewing such approvals in a routine manner. The time-limit of 5 years has been omitted with effect from October 1, 2009. After this amendment, the approval once granted shall continue to be valid in perpetuity. Further, the Commissioner will also have the power to withdraw the approval if the Commissioner is satisfied that the activities of such an institution or fund are not genuine or are not being carried out in accordance with the objects of the institution or fund. This amendment will take effect from October 1, 2009. Accordingly, existing approvals expiring on or after October 1, 2009 shall be deemed to have been extended in perpetuity, unless specifically withdrawn. However, in case of approvals expiring before October 1, 2009, these will have to be renewed and once renewed these shall continue to be valid in perpetuity, unless specifically withdrawn.

Amendments of sections 80GGB and 80GGC

0.52 Section 80GGB and section 80GGC provide for deductions in respect of contributions given to political parties by companies and any person respectively.

With a view to reforming the system of funding of political parties, these sections have been amended from the assessment year 2010-11 to provide that donations to electoral trusts shall be allowed as a 100 per cent deduction in the computation of the income of the donor.

Amendment of section 80-IA

0.53 The following amendments have been made to section 80-IA—

1. Under section 80-IA(4)(iii), an undertaking which develops and operates industrial park is eligible for 10 year tax benefit if a few conditions are satisfied. For this purpose, the terminal date for commencing the activity has been extended from March 31, 2009 to March 31, 2011.

2. The benefit of deduction under section 80-IA will not be available to the business of laying and operating a cross-country natural gas distribution network from the assessment year 2010-11. Any person availing this incentive can claim the benefit of deduction under section 35AD [see para 0.29].

3. Under section 80-IA(4)(v), an undertaking owned by an Indian company and set up for reconstruction or revival of a power generating plant is eligible for 10 year tax benefit if a few conditions are satisfied. For this purpose, the terminal date for commencing the activity of generation, transmission or distribution of power in case of such an undertaking has been extended from March 31, 2008 to March 31, 2011.

4. Under section 80-IA(4)(iv), an undertaking is eligible for deduction if it is set up for the generation and distribution of power or an undertaking if it starts transmission or distribution by laying a network of new transmission or distribution lines or which undertakes substantial renovation and modernization of existing network of transmission or distribution lines. This deduction is available if these activities are started within a specified period. The terminal date for commencing these activities has been extended from March 31, 2010 to March 31, 2011.

5. Further, with a view to preventing the misuse of the tax holiday under section 80-IA, it has been provided to clarify (with retrospective effect from the assessment year 2000-01) that the tax holiday benefit under section 80-IA(4) will not be available in the case of a works contract awarded by any person (including the Central or State Government) and executed by an undertaking or enterprise referred to in section 80-IA(1).