

EDUCATIONAL INSTITUTIONS U/S 10(23C)(iiiad) & 10(23C)(vi)

QUES: 1 Whether educational trust or similar body running an educational institution can be regarded as “other educational institution” for the purpose of section 10(23C) or be eligible for exemption u/s 11/12?

QUES: 2 Whether for the purpose of section 10(23C)(iiiad)/(vi), educational institution should be Indian or should exist in India or educational activity takes place in India?

QUES: 3 Whether a trust/society giving scholarships to students and promoting education but without setting up college or school can claim exemption u/s 10(23C)?

QUES: 4 What is the meaning of “other educational institutions” appearing in section 10(23C) (iiiad)/(vi)? Whether

it covers formal education-giving institutions only or covers such institutions also which are for example conducting English speaking or vocational course(s)?

QUES: 5 What is the meaning of “aggregate annual receipts” for the purpose of section 10(23C) (iiiad)?

QUES: 6 Whether any application for grant of exemption is necessary for educational institution referred in 10(23C) (iiiad) or 10(23C)(vi) and if yes what are the formalities i.e. form, authority, time limit, period of validity of exemption?

QUES: 7 Whether there is any time limit for granting of exemption or rejection thereof for institutions mentioned in section 10(23C)(iiiad) or 10(23C)(vi) or 11/12?

QUES: 8 Whether requirements of section 11& 12 are applicable for institution u/s 10(23C)(iiiad) & (vi)? Whether

institutions covered u/s 10(23C)(iiiad) or 10(23C)(vi) are required to obtain registration u/s 12AA also or vice versa?

QUES: 9 If a trust/society running educational institution seeks to claim exemption u/s 11/12, then what are the requirements?

QUES: 10 What are the conditions as to application or accumulation of income for these three types of educational institutions i.e. one covered u/s 10(23C)(iiiad), other covered u/s 10(23C)(vi) and other covered u/s 11/12?

QUES: 11 Whether and where such institutions are required to invest funds?

QUES: 12 What would happen if voluntary contributions are received in kind e.g. books, clothes for the students?

QUES: 13 What will happen if such institutions earn profits and gain of business?

QUES: 14 Whether educational institution can make profit?

QUES: 15 Whether educational institution covered u/s 10(23C)(vi) or section 12AA accumulating its income can give donation to other similar trust/institution and if yes its implications?

QUES: 16 Whether educational institution can receive anonymous donations and if yes what is the taxability? What precautions are necessary for avoiding the tag of “anonymous donations”?

QUES: 17 Can approval granted by competent authority u/s 10(23C) (vi) be withdrawn and if yes under what circumstances?

QUES: 18 Whether audit of accounts is compulsory for these institutions mentioned in section 10(23C)(iiiad) or 10(23C)(vi) or 11/12 and if yes what is the form?

QUES: 19 Whether tax audit u/s 44AB is necessary for the educational institutions covered u/s 10(23C) (iiiad) or (vi) or u/s 11 /12 ? If yes, under what circumstances?

QUES: 20 What is the requirement of filing of return for these institutions and which is the form, due date of filing and filing of annexures? In case of delay, how to respond?

QUES:- 21 What would happen if trust/Educational Institution receives donation and is not able to prove identity etc of the donor?

QUES:- 22 What would happen if DVO is appointed to find undisclosed investment in the construction of the building of charitable trust/educational institution?

QUES:- 23 What would be income in case society is not granted registration u/s 12AA or u/s 10(23C)? Whether entire receipts would be taxable?