

Compliances for Public Charitable Trust

Sr No.	Particulars	Details
1	SPECIAL POINTS:	1) Do not receive donations above Rs. 2,00,000 in cash from any Donor under any circumstances; 2) Do not receive donations above Rs. 2,000 in cash from any Donor, if Trust is registered u/s 80G /12A and the donor intends to claim benefit u/s 80G; 3) Maintain movable and immovable property register in Schedule – X Register; 4) Maintain minutes books for records of each and every meeting (Trust / Managing Committee or General Body Meeting) 5) Make sure that the minimum number of meetings as per Deed / Constitution is called for and conducted; 6) Take valid PAN and Address from the Donor for donations received above Rs. 10,000 by cheque 7) Utilize funds set apart out of the surplus of the Trust within the expiry of the time and use for the purpose only for which it is set apart. 8) Invest the funds set apart before the year end in Fixed deposits / Bank Deposits. 9) Invest the Corpus of the Trust in Fixed Deposits / Immovable or Movable Properties or in Bank Account. 10) For a public charitable Trust, obtaining registration u/s 12AA of the Income Tax Act, 1961 is mandatory. (Mere registration under local Trust laws is not acceptable to the Income Tax Authorities)
2	Change Report in case of change in Trustees / properties / Regd. Office	1) You shall be required to submit copy of Notice, Attendance & minutes of the meeting duly signed and stamp held for addition or deletion of any trustee of trustee board/ member of the managing committee/Executive Council alongwith other documents such as passport size photo, copy of pan card, copy of aadhar card of trustee/member so added or deleted from trust board/managing committee/Executive Council. 2) You shall be required to submit copy of purchase agreement or Conveyance deed in respect of purchase of any immovable property held in the name of trust to be added in the records of Schedule – I. 3) You shall be required to submit copy of electricity bill / municipal tax bill and consent of the owner for change in registered office of the trust. 4) Any such change is required to be filed within 90 days from the date of occurrence of such change at Charity office.
3	Tax deduction at Source (TDS), if applicable	(Compulsorily applicable w.e.f. 1-4-2017) 1) Tax deduction at various sources is specified by the central government which is required to be compulsorily complied. Range of amount and nature of amount on which tax is required to be deducted is specified. If nature of payment falls under any such category you are required to apply for allotment of tax deduction account number immediately. 2) Due Date for Payment of TDS to the credit of central government is 7th day of the following month in which liability occurs. 3) Due date for payment of TDS for the month of March is 30th April 4) Following are the due date for filing Quarterly TDS Statements: 1st Quarter – 31st July 2nd Quarter – 31st October 3rd Quarter – 31st January 4th Quarter – 30th May

4	Income Tax Return + Audit Report in Form 10B + Audit Report in Form 33 & 34 + Filing of Accounts with C.C.:	1) Requirements for filing of income tax Return and filing of Annual Report with charity office. a. Bank Statements/Passbook for the year alongwith cheque book counter and deposit slip book. b. Donation Receipt books and receipts of other income received c. Expenses bill file d. Cash Voucher book e. If invested into fixed deposit required fixed deposit receipts of valid period and Interest certificate yearly withdrawn from bank 2) Due Date for Filing of Income Tax Return along with Audit in Form 10B and filing of Annual report with Charity Office is 30th September following the close of the year. 3) If Income Tax Return not filed in time, no benefit of sec. 11 and 12 of the Income Tax Act, 1961 is available and tax on the gross income of the Trust is levied as per the provisions of sec. 12A(1)(ba) of the Income Tax Act, 1961. Return to be filed u/s 139(1) or 139(4), i.e., to be compulsorily filed.
5	Compulsory Audit of Accounts	When the total income of a Private Trust exceeds the limit given under the Income Tax Act, 1961 for non-taxable income (Rs. 1,50,000 for FY 2016-17), it should be compulsorily audited by a Chartered Accountant.
6	Annual Return of Income	After the accounts of the Trust are being audited by the Chartered Accountant, the audit report should be filed along with the Annual Return of income under Form ITR-7 on or before the due date.
7	Permission of Charity Commissioner to be obtained for sale of Immovable Property:	1) The Trust cannot sell / transfer any immovable property without the permission of the Charity Commissioner; 2) As per sec. 36 of the B.P.T. Act, 1950, special permission needs to be obtained before alienation of immovable property.
8	Permission of Charity Commissioner to be obtained for obtaining any Loan or Borrowings:	1) The Trust cannot raise any Loans / Borrowings in the name of the Trust without the permission of the Charity Commissioner; 2) As per sec. 36A of the B.P.T. Act, 1950, special permission needs to be obtained before raising loans or borrowings.
9	Maintenance of accounts Section 32	(1) Every trustee of a public trust shall keep regular accounts. (2) Such accounts shall be kept in such form as may be approved by the Charity Commissioner and shall contain such particulars as may be prescribed.
10	Profession Tax (PTRC):	1) Profession tax to be deducted on salaries paid to staff. 2) Salaries paid to Women is exempt from Profession tax upto Rs. 10,000 monthly. 3) Salaries paid to Men and women is exempt from deduction of profession tax upto Rs. 7,500 monthly. 4) Monthly salary paid to men within the range of amount Rs. 7,500 and upto Rs. 10,000 – Profession Tax to be deducted is Rs. 175 per month (Yearly 2,100). Monthly salary to women in this bracket is exempt. 5) Monthly salary paid to men and women above Rs. 10,000 – Profession Tax to be deducted is Rs. 200 per month and Rs. 300 for month of February (Yearly 2,500). - Profession tax Return and payment frequency in the first year of Enrollment is monthly. - Payment and return frequency from and onwards second year of enrollment is yearly subject to maximum amount of tax liability Rs. 50,000 yearly
11	Budget to be filed:	Before 28th February of every year, the Trust has to file Budget in Schedule – VIIA informing the Charity Commissioner regarding the level of activities budgeted by the Trust for the forthcoming year, April to March.
12	Investment of Trust Money	Permissible modes of Investments are – 1) Scheduled Bank as defined in RBI Act, 1934 2) Postal saving bank 3) Co-operative banks approved by State Govt 4) Central / State Govt Public Securities 5) First mortgage of immovable property situated in India provided the property is not leasehold for a term of 99 years and the value of the property exceeds by one half of the mortgage money 6) Any other investment permitted by charity commissioner not exceeding 50% of total investment