

# NON PROFIT ORGANISATIONS

## Definition – CHARITABLE PURPOSE

The following limbs are included in the above definition:-

- Relief of the poor
- Providing Education
- Providing Yoga(w.e.f. 1-4-2016)
- Providing Medical Relief
- Preservation of Environment (including Water sheds, Forests & Wild life)
- Preservation of Monuments or Places
- Advancement of any other object of General Public Utility

## W.E.F. 1-4-2016

- The seventh limb shall not be considered for charitable purpose, if it involves trade commerce or business or service in relation to trade commerce or business – for a cess, fee or other consideration irrespective of the nature of use or application or retention of income from such activity, unless-
  - Such activity is undertaken in the course of actual carrying out of such advancement of any other object of general public utility; and
  - The aggregate receipts from such activity or activities during the previous year, **do not exceed twenty percent of the total receipts of the trust or institution** undertaking such activity or activities of that previous year.

# TYPES OF ORGANISATION

## 1. Trust

The Public Charitable Trust is one possible form of not-for-profit entity.

- Public Trusts are generally irrevocable.
- Public Charitable Trust must register with the office of the charity commissioner of that particular state having jurisdiction over the trust in order to be eligible to apply for tax exemption.
- At least **two trustees are required to register a public charitable trust and one settler of the Trust.**
- All the property of the trust legally vests with the trustees.
- Purchase or sale of property by a trust must be approved in advance by the charity commissioner.
- If trust become inactive the charity commissioner takes the charge of the trust, if he feels he can change the objects of the trust and continue the Trust.
- There is no need of filing annual financial statements with Registrar of Trusts.

## 2. Societies

- Societies are governed by Societies Registration Act, 2001.
- Minimum of **Seven individuals** are required to form a society.
- In general Indian citizens are eligible as members of the managing committee.
- Societies must file annually with the registrar of societies their annual accounts & list of managing committee members.

### 3. **Companies**

- Under Sec 8 of Companies Act 2013, a company can be registered as NPO.
- Sec.8 company should not pay dividends to its members.
- At least two individuals for Private company and seven for public company are required to form a Sec.8 company.
- Sec.8 company may be dissolved.
- Proceeds can not be distributed among the members.

## CAN NRI / FOREIGNER BE PART OF THE ORGANIZATION?

- NRI can become member of the organization if he provides the Indian Address.
- Foreign National also can become a member of the organization but not in the executive committee. However better to avoid admitting them as a member keeping the FCRA rules and conditions.

# COMPULSORY CLAUSES

The following clauses should be mentioned in the trust deed/Memorandum of Association of Society :

1. Proviso to the effect that no addition, alteration, amendment in the objects shall be made without the prior approval of the Commission of Income Tax (Exemptions).
2. Proviso with regard to Maintenance of Accounts for the financial year and compulsory audit of accounts by a Chartered Accountant
3. Proviso to the effect that in case of Dissolution, the trust properties shall be transferred/handed over to a trust having similar aims and objects and also Registered U/s. 12AA of the I.T. Act.
4. Proviso to the effect that the Investment of Funds of the trust shall be made in accordance with the proviso of Section 11(5) of the I.T Act, 1961.

5. The Trust formed under the title is irrevocable.
6. The benefits of the Society are open to all irrespective of caste, community, religion etc.
7. The activities of the Society shall be carried out within India only.



## POLITICAL ACTIVITY

- NPOs in India not to engage in political campaigns or legislative activity.

# CUSTOMS DUTY

- Non Profit organizations involved in relief work and in the distribution of relief supplies to the needy are 100% exempt from customs duty on the import of items such as food, medicine, clothing and blankets. And also exemption from customs duty for scientific / technical equipment and components intended for research institutes.

# ANONYMOUS DONATIONS

- Anonymous donations received by charitable institutions are taxed @ 30 % except such donations not exceeding 5% of total income or rupees one lakh, whichever is more.  
i.e., name, address, identity proof and pan no. of the donor.

## REGISTRATION U/S. 12AA / 80 G

- Form No. 10 A & 10 G-Triplicate
- Bye-Laws / Memorandum of Association
- Registration Certificate
- List of Executive body
- Declaration u/s 11(5)
- Declaration u/s 13(1)(c)
- PAN of the Organisation
- Activity Report for three Years
- Annual Accounts of three years with audit report
- Justification report

Venkateswarlu Ravulapalli,  
B.Com.,FCA

## TIME LIMIT

- Grant of registration u/s. 12 AA/80G
  - within 6 months from the end of the month in which the application is made.
- Registration can be granted from the first day of the application is made.

# COMMON GROUNDS OF REJECTION OF REGISTRATION U/S 12AA

- I) Actual Activity has not been carried out by the trust
- II) **Inconsistencies in the object clauses:** If there are any objects of the trust deed which gives the commissioner reasons to believe that the beneficiaries of the trust activities will be based on the particular cast, creed or sex.
- III) **Inconsistencies in Revocation clause of Trust Deed:** As per Bombay Public Trust Act 1950 the trusts are always irrevocable. Generally the trust can't be revoked. However if the circumstances arise, the trust can be revoked by passing an unanimous resolution by all the trustees to that effect and with the prior approval of Charity Commissioner. And in that scenario none of the assets will go in to the hands of any of the trustees/settler or to the members of the trust, on the contrary it will be handed over to the trust having same objects.
- IV) Business purpose in objects as sole objective.

# APPLICATION OF INCOME

- All expenditure either capital or revenue in nature is considered as application of income to calculate 85% of income application condition.

## FORFEITURE OF EXEMPTION

- Contravention of the provision of sec.11(2) – 85%
  - To overcome this form no.10 need to be filed within due date specified u/s 139(1).
  - Maximum accumulation of Income not to exceed next five assessment years.
- Contravention of the provision of sec.11(3) – investments u/s. 11(5).
- Contravention of the provision of sec.13(1)(c) –  
Direct or indirect benefit to the members or their relatives.
- Activities of the organisation are not genuine.
- Activities not carried in accordance with the objects of the organisation.



## RELIGIOUS PURPOSE

- The Organisation can apply its funds for religious purposes maximum to the extent of 5% of its total income, still it is considered as charitable organisation.

## PROFIT MAKING OBJECT

- Supreme Court held in Addl. CIT vs. Surat Art Silk Cloth Manufacturers, where main object is charitable and incidental or ancillary object is profit making object, still it will not lose the character as charitable. 13 CTR (SC) 378.
- Separate books of accounts should be maintained.

## DEDUCTION U/S 80G

- Contributions made to certain relief funds and charitable institutions can be claimed u/s 80G of the Income Tax Act,1961.
- This deduction can be claimed when the contribution has been made via cheque or draft or in cash. But deduction is not allowed for donors made in cash exceeding Rs.2,000/- ([Applicable from 01.04.2017](#))
- Donation made in kind is not eligible for deduction u/s. 80 G, hence deduction is available only for the donation made in money.

## INTEREST ON CORPUS FUND

- Undoubtedly the interest earned on investments of corpus fund will be treated as income of the institution.

# CONDITIONAL DONATION

- Conditional contribution to the corpus fund is also exempt from income tax.
- The donor who has contributed to the corpus fund has no right to ask for the amount to be refunded.
- Once donation made it is final.

# FIXED ASSETS AGAINST REVENUE INCOME

- The organisation can purchase fixed assets against revenue income.
- On sale of fixed assets, the capital gain if any shall be treated as per sec.11(1A) of the IT Act.

## FILING OF IT RETURNS

- In case of public trust or institution whose gross income exceeds Rs.2,50,000/- in the financial year it has to get its accounts audited by a chartered accountant & return(ITR-7) to be filed on or before 30<sup>th</sup> September of the relevant assessment year.
- The following section under which return has to be filed.
  - Sec 139(4A) – Charitable and Religious Trusts.

- **Taxability of Business income of the trust**

Any business income received by trust also enjoys exemption, if the business activity is incidental to the attainment of objects of the Trust and the separate books of accounts have been maintained by the assessee trust.

Assessing officer can exercise all its power to assess and where the income assessed by Assessing Officer is more than income disclosed by Trust, then such excess shall be deemed as income of the Trust.



## LOANS

- A charitable trust / institution can advance money to other public trust or institution having similar objects.
- Loans given to staff not considered as application of income (85%).
- Loans to students for study, provided the object of the institution is the advancement of education. Then this is part of application of income(85%).
- At the time of return of loan from staff, not to be treated as income.

# DEDUCTION OF TAX & TDS RETURNS

- A charitable institution is required to deduct income tax at source from payment to employees, contractors & professionals where ever applicable.
- TDS return to be filed with the IT Department as good as any other business entity.

## PAYMENT TO OFFICE BEARERS

- An office bearer of a charitable institution can take salary & other allowances for their services as an employee but not be excessive or unreasonable.
- But any way it is a debatable issue and depends on how best the assessing officer can convince.
- It is advised better not to draw any salary or remuneration by any officer bearer.

**Registration of University or Educational Institutions and any Hospital (not for the purpose of profit) u/s 10(23C)(vi) and (via) of the Income Tax Act,1961.**

Registration u/s 10(23C)(vi) and (via) is required only when the aggregate gross receipts of the University or Education Institutions or any hospital **exceeds Rs.1 Crore.**

- Form No.56D in four sets.
- Self attested list of office bearers.
- Self attested copy of bye laws or memorandum and article of association with registration certificate of the society or trust.
- Annual Accounts of three years with audit report
- Any approval issued on or after 1-12-2006 will be one time approval and valid till date of withdrawn.
- Max Period of Disposal-Within **Twelve Months** from the date of receipt of the Application.

***BRIEF OVERVIEW OF  
FOREIGN CONTRIBUTION  
(REGULATION) ACT (2010)***

Venkateswarlu Ravulapalli,  
B.Com.,FCA

# ***INTRODUCTION***

- This act is regulated by Ministry of Home affairs.
- To regulate the acceptance and utilization of foreign contribution and hospitality by persons and associations working in the important areas of national Life.
- To regulate flow of foreign funds to voluntary organizations with the objective of preventing any possible diversion of such funds against the national interest.

# *Meaning of Foreign Contributions*

- **Foreign contribution is defined to mean any donation, delivery or transfer made by a foreign source**
  - i. **Of any article,**  
not being an article given to a person as a gift for his personal use if the market value in India of such article on the date of such gift is not more than such sum as may be specified from time to time by the central government.
  - ii. **Of any currency,** whether Indian or foreign ,
  - iii. **Of any foreign security** as defined in Clause (i) of section 2 of the foreign Exchange Regulation Act,1973(46 of 1973)

# *Conditions*

Only an organization having an objective in its bye laws to receive foreign contributions for definite cultural, economic, educational or religious programmes is eligible to receive such contributions after it satisfies the following two conditions-

- Obtain prior permission in form FC-3B to receive foreign contribution from Ministry of Home Affairs.
- The organization must agree to receive such contribution only through one specific Bank Account in Scheduled Bank.



# *Eligible organizations*

- Society under Society Registration Act, 2001.
- Companies under section 8 of Companies Act, 2013.
- Public Trust under General law

***The following persons are not eligible for receiving foreign contribution:-***

- Candidates for election.
- Correspondent, Columnist, cartoonist, editor, owner, printer or publisher of a registered newspaper.
- Judge, government servant or employee of any entity controlled or owned by the Government;
- Member of any Legislature;
- Political party or office bearers thereof;
- Organizations of a political nature as may be specified;
- Associations or companies engaged in the production or broadcast of audio news or audiovisual news or current affairs programmes through any electronic mode or form or any other mode of mass communication;
- Correspondent or columnist, cartoonist, editor, owner of the association or company

# *Registration Procedure*

- **An Application for registration of a person (who are registered with Central Government )for acceptance of foreign contribution shall be made electronically on-line in Form FC -3A and shall be followed by forwarding the hard copy of the online application duly signed by the chief Functionary of the association together with the **required documents:****
- a. Form FC-3 duly filled along with audited statement of accounts of past three years and Annual Report specifying activities of past three years.
- b. If the association is a registered Trust or Society a certified copy of the registration certificate.
- c. Copy of the Memorandum of Association and/or the Articles of Association as applicable.
- d. List of Main objects and definite programmes for which the contribution is to be accepted / utilised and the details of names and addresses of the members of the Executive Committee/Governing Council etc., of the Association.

## *Registration Procedure..contd.*

- e. Copy of any prior permission granted to the organization and resolution of Governing Body of the organization, authorizing the registration under FCRA.
- f. Copy of Power of Attorney or the resolution of Governing Body by which the Chief Functionary is authorized to submit FC-3.
- g. Copy of any Journal or other publication of the organization.
- h. If the association is having any parent or sister or subsidiary organization which is registered under the FCRA then the registration number along with Ministry of Home Affairs file number should be mentioned.
- i. If the association has submitted any application earlier ,then its reference number should be mentioned.
- j. If the association has received any foreign contribution with or without the prior approval of the Central Government, then the detail should be given.
- k. Details of Bank along through which the foreign contribution shall be received.
- l. Copy of certificates of exemption or registration issued by the Income Tax Department u/s80G and 12AA.

## *Registration Procedure..contd.*

- The hard copy of On-line application shall reach the central Government within thirty days of the submission of the online application ,failing which the request of the organization shall be deemed to have ceased.
- Any person whose request has ceased under clause (b) of sub-rule (1) may prefer a fresh on-line application with the Central Government only after six months from the date of cessation of the previous application.
- A person seeking registration shall be required to open an exclusive bank account to receive the foreign contribution.
- The person may open one or more accounts in one or more banks for the purpose of utilizing the foreign contribution after it has been received and, in all such cases ,intimation on plain paper shall be furnished to the Secretary ,Ministry of Home Affairs ,New Delhi within Fifteen days of the opening of any account.

## *Filing charges*

- An application made for the grant of prior permission shall be accompanied by a fee of Rs.1,000/- ( Thousand Rupees Only)
- An application made for the grant of the registration shall be accompanied by a fee of Rs. 2,000/- (Two Thousand Rupees Only)
- An application made for renewal of the certificate of registration shall be accompanied by a fee of Rs.500/- (Five Hundred only).
- The fee, as applicable, shall be remitted through online or by demand draft or banker's cheque in favour of the "Pay and Accounts Officer, Ministry of Home Affairs", payable at New Delhi.
- The fee may be revised by the Central Government from time to time.

# *Renewal of registration certificate*

- Every certificate of registration issued to a person shall be liable to be renewed after the expiry of five years from the date of its issue on proper application.
- Every person shall apply to the Central Government in Form FC-3, six months before the date of expiry of the certificate of registration, for its renewal.
- In case no application for renewal of registration is received or such application is not accompanied by the requisite fee, the validity of the certificate of registration of such person shall be deemed to have ceased from the date of completion of the period of five years from the date of the grant of registration.

*Contd..*

- In case a person who has been granted a certificate of registration or prior permission receives foreign contribution in excess of one crore rupees, or equivalent thereto, in a financial year, he/it shall place the summary data on receipts and utilization of the foreign contribution pertaining to the year of receipt as well as for one year thereafter in the public domain. Besides, the Central Government shall also display or upload the summary data of such persons on its website for information of the general public.



## *Custody of foreign contribution in respect of person whose certificate has been cancelled*

- The amount of foreign contribution lying unutilized in the exclusive foreign contribution bank account of a person whose certificate of registration has been cancelled shall vest with the banking authority concerned till the Central Government issues further directions in the matter.
- If a person whose certificate of registration has been cancelled transfers/has transferred the foreign contribution to any other person, the provisions of sub-rule (1) of this rule shall apply to the person to whom the fund has been transferred.

# *Reporting by banks of receipt of foreign contribution*

- Every bank shall send a report to the Central Government within thirty days of any transaction in respect of receipt of foreign contribution by any person who is required to obtain a certificate of registration or prior permission under the Act, but who was not granted such certificate or prior permission as on the date of receipt of such remittance.
- The report referred to in sub-rule (1) shall contain the following details: -
  - (a) Name and address of the donor.
  - (b) Name and address of the recipient.
  - (c) Account number.
  - (d) Name of the Bank and Branch.
  - (e) Amount of foreign contribution (in foreign currency as well as Indian Rupees).
  - (f) Date of receipt.
  - (g) Manner of receipt of foreign contribution (cash/cheque/electronic transfer etc.).

# *Intimation of foreign contribution by the recipient*

- Every person who receives foreign contribution under the Act shall submit Quarterly Report regarding Quarterly receipt of foreign contribution within 15 days of quarter end.
- Every person who receives foreign contribution under the Act shall submit a report in Form FC-4, accompanied by an income and expenditure statement, receipt and payment account, and balance sheet for every financial year beginning on the 1st day of April within nine months of the closure of the financial year, to the Secretary to the Government of India, Ministry of Home Affairs, New Delhi.
- The annual return in Form FC-4 shall reflect the foreign contribution received in the exclusive bank account and include the details in respect of the funds transferred to other bank accounts for utilization.
- If the foreign contribution received by way of Gift, as articles, securities, by candidate for election, the intimation shall be submitted in Form FC-1.

- Every report submitted under sub-rules (2) to (4) shall be duly certified by a chartered accountant.
- Every such return in Form FC-4 shall also be accompanied by a copy of a statement of account from the bank where the exclusive foreign contribution account is maintained by the person, duly certified by an officer of such bank.
- The accounting statements referred to above in the preceding sub-rule shall be preserved by the person for a period of six years.
- A 'NIL' report shall be furnished even if no foreign contribution is received during a financial year.

## *Transfer of Foreign Contribution*

- Any person intending to transfer the foreign contribution may make an application to the Central Government in Form FC-5.
- The Central Government may permit the transfer in respect of a person who has been granted the certificate of registration or prior permission, in case the recipient person has not been proceeded against under any provision of the Act.
- Any transfer of foreign contribution shall be reflected in the returns in Form FC-4.
- Form FC-5 Application for seeking permission for transfer of foreign contribution to other un-registered persons.

# *Every association so registered shall give*

- An Intimation to the Central Government within prescribed time.
- As to the amount of each foreign contribution received.
- Source and the Manner from which such foreign contribution was received
- Purposes and Manner for which such Foreign contribution was utilised.

# *Applicable forms*

- **Form FC-1** : Intimation of receipt of foreign contribution by way of gift/ as articles/securities/ by candidate for election.
- **Form FC-2** : Application for seeking prior permission of the Central Government to accept foreign hospitality
- **Form FC-3A** : Application for FCRA registration
- **Form FC-3B** : Application for FCRA prior permission
- **Form FC-3C** : Application for FCRA renewal
- **Form FC-4** : Intimation-Annual Returns

- **Form FC -5** : Application for seeking permission for transfer of foreign contribution to other unregistered persons.
- **Form FC-6A** : Intimation for change of Association Name/Address
- **Form FC-6C** : Intimation for change in designated bank/ branch/ bank account number of designated FC receipt cum utilization bank account.
- **Form FC-6D** : Intimation for opening of additional FC- utilization Bank Account for the purpose of utilization of foreign contribution.
- **Form FC-6E** : Intimation for change in original key members of the association



# GST

(goods and services tax)

## GST on Charitable and Religious Trusts

# Applicability of gst

- The provisions relating to taxation of activities of charitable institutions and religious trusts have been borrowed and carried over from the erstwhile service tax provisions. All services provided by such entities are not exempt. In fact, there are many services that are provided by such entities which would be within the ambit of GST.

# Applicability of gst

- As per notification No.12/2017-Central Tax (Rate) dated 28th June 2017 exemption is given to the charitable trusts, only if the following conditions are satisfied
  - a) Entities must be registered under Section 12AA of the Income tax Act, and
  - b) Such services or activities by the entity are by way of charitable activities.

## DEFINITION OF CHARITABLE ACTIVITY

- A. advancement of religion, spirituality or yoga;
- B. advancement of educational programmes or skill development relating to:
  - a. abandoned, orphaned or homeless children;
  - b. physically or mentally abused and traumatized persons;
  - c. prisoners; or
  - d. persons over the age of 65 years residing in a rural area;
- C. preservation of environment including watershed, forests and wildlife.

# Taxability of services

- While the income from only those activities listed above is exempt from GST, income from the activities other than those mentioned above is taxable
- Thus, there could be many services provided by charitable and religious trust which are not considered as charitable activities and hence, such services come under the GST net.
- The indicative list of such services are renting of premises by such entities, grant of sponsorship and advertising rights during conduct of events/functions etc.

# Taxability of services

- There is a limited exemption available to such entities. Activities not covered by the specific exemption would be taxable.
- Entry No.13 of notification no.12/2017-Central Tax (Rate) dated 28th June, 2017, provides the following exemption to entities registered under Section 12AA of the Income Tax Act:

# Taxability of services

- Services by a person by way of:
  - a) conduct of any religious ceremony;
  - b) renting of precincts of a religious place meant for general public, owned or managed by an entity registered as a charitable or religious trust under section 12AA of the Income-tax Act, 1961

# Taxability of services

Provided that nothing contained in entry (b) of this exemption shall apply to:

1. Renting of rooms where charges are one thousand rupees or more per day;
2. Renting of premises, community halls, kalyanamandapam or open area, and the like where charges are ten thousand rupees or more per day;
3. Renting of shops or other spaces for business or commerce where charges are ten thousand rupees or more per month.



# Taxability of services

- This implies that if immovable properties owned by charitable trusts like marriage hall, convention hall, rest house for pilgrims, shops situated within the premises of a religious place are rented out, income from letting out of such property is wholly exempt from GST.
- But if such properties are not situated in the precincts of a religious place meaning thereby not within walls or boundary walls of the religious place, income from such letting out will lose this exemption and income from it will be liable to GST.

# Examples

- For example, if with regard to Ganeshutsav or other religious functions, charitable trusts rent out their space to agencies for advertisement hoardings, income from such advertisement is chargeable to GST, as this will be considered as income from the advertisement services.
- If donation for religious ceremony is received with specific instructions to advertise the name of a donor, such donation income will be subject to GST. But if donation for religious ceremony is received without such instructions, it may not be subject to GST.

# Additional Exempted services

- Entry No.80 of notification no.12/2017-Central Tax (Rate)
- Services by way of training or coaching in recreational activities relating to:
  - a. arts or culture, or
  - b. sports by charitable entities registered under section 12AA of the Income-tax Act.

# GST on management of educational institutions by charitable trusts



If trusts are running schools, colleges or any other educational institutions specifically for abandoned, orphans, homeless children, physically or mentally abused persons, prisoners or persons over age of 65 years or above residing in a rural area, such activities will be considered as charitable activities and income from such supplies will be wholly exempt from GST.

# Taxability of Import of Services



Entry no. 10 of Notification  
no.9/2017-Integrated Tax (Rate)  
dated 28.06.2017



If charitable trusts registered under  
Section 12AA of Income-tax Act  
receives any services from provider  
of services located in non-taxable  
territory, for charitable purposes,  
such services received are not  
chargeable to GST under the  
reverse charge mechanism.

# Services by and to Education Institutions (including institutions run by Charitable trusts)

If the trust is running school for the purpose which is not covered above (i.e. not coming within the scope of charitable activities as defined in the notification) income from such activity will not be exempt

## Except services of

- Transportation of students, faculty and staff of the eligible educational institution.
- Catering service including any mid-day meals scheme sponsored by the Government
- Security or cleaning or house-keeping services in such educational institution.
- Services relating to admission to such institution or conduct of examination.

# GST on arranging yoga and meditation camp by charitable trusts



If charitable trusts organizes yoga camps and other fitness camps and charges money from the participants this will not considered as charitable activity and hence chargeable to tax.



# GST on running of public libraries by charitable trusts

- No GST will be applicable if charitable trusts are running public libraries and lend books, other publications or knowledge enhancing content/material from their libraries.



**Public Library Means** library remain open to all and if it caters to educational, informational and recreational needs of its users and finance for such libraries can be provided from donation, subscription, from special fund created for this purpose or from combination of all such sources



# GST on hospital managed by charitable trusts

- As per entry no. 74 of Notification No. 12/2017-Central Tax Rate
- Healthcare services at clinical establishment, an authorized medical professional or paramedics are exempted from GST.

**Health Care Services** Means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but does not include hair transplant or cosmetic or plastic surgery.

# GST on hospital managed by charitable trusts



So, if charitable trusts run a hospital and appoint specialist doctors, nurses and provide medical services to patients at a concessional rate, such services are not liable to GST.



If hospitals hire visiting doctors/ specialists and these deduct some money from consultation/visit fees payable to doctors and the agreement between hospital and consultant doctors is such that some money is charged for providing services to doctors, there may be GST on such amount deducted from fees paid to doctors.

# GST on services provided to charitable trusts

Services provided to charitable trusts are not out of ambit of GST. All services other than those specifically exempted provided to charitable trusts will be subject to GST.

# GST on supply of goods by Charitable Trusts



There is no exemption for supply of goods by charitable trusts. Thus any goods supplied by such charitable trusts for consideration shall be liable to GST. For instance, sale of goods shall be chargeable to GST.



# Thank You

**Venkateswarlu Ravulapalli**  
**B. Com., F.C.A.,**  
**Partner - V RAVULAPALLI & CO.,**  
**Chartered Accountants**  
**Plot No.79, C-Block, Madhava House,**  
**Sri Ram Nagar, Opp: Chirec Public School,**  
**Kondapur, Hyderabad-500084.**  
**Mobile: 98480 31083**  
**E mail: [v\\_ravulapallico@yahoo.com](mailto:v_ravulapallico@yahoo.com)**  
**[www.vravulapalliandco.in](http://www.vravulapalliandco.in)**