



**BOMBAY
CHARTERED
ACCOUNTANTS'
SOCIETY**

To

Date: September 04, 2025

The Member,
Central Board of Direct Taxes,
Ministry of Finance, Government of India,
North Block,
New Delhi – 110001.

Subject: Representation regarding certain critical issues regarding registration and renewal under section 12AB, approval and renewal under section 80G, Tax on accreted income under section 115TD, ITR-7 and Timeline for filing Form 9A/Form 10 under the Income Tax Act, 1961.

Respected Sir,

On behalf of various charitable and religious trusts, societies, and institutions across India, we wish to draw your kind attention to certain practical difficulties and hardships being faced by these organisations due to procedural limitations in the Income-tax Act, 1961, and the e-filing portal regarding compliance under section 12AB.

A. Extension of Due Date for Renewal of Registration u/s 12AB

1. As per current provisions, trusts whose registration under **section 12AB** is due to expire on or before **31st March 2026** are required to apply for renewal of registration by filing **Form 10AB at least six months prior** to the expiry date, i.e., latest by **30th September 2025**.
2. Considering the large number of trusts whose registrations are expiring simultaneously and the complexity involved in gathering required documents and approvals, the compliance burden is extremely high.
3. Further professionals who aid and assist Charitable trusts to comply with the law, are tied up with the filing of tax returns, the due date for which is 15th September 2025.
4. Moreover, the e-filing portal may face significant load in the months leading up to **September 2025**, which could cause avoidable delays and hardships.
5. There is a compulsory field which state that there is an Irrevocable clause in the Trust deed, only applicable to charitable trusts. At the time of re-registration against this clause of Irrevocable there were three fields, YES, NO AND NA, but now at the time of renewal the NA is deleted, which will inconvenient all the Trust which do not have irrevocable clause. There are lot of old Trust wherein this irrevocable clause will be not there. Technically due to amendment in the Maharashtra Public Trust Act, 1950 wherein section 22(3A) is inserted whereby now the Charitable Trust which are registered under the Maharashtra Public Trust Act, 1950 can de-register their Trust and on de-registration all the assets will pass on to the Charity Commissioner. So, having irrevocable clause will not be necessary, as there is a provision now for the Charitable Trust created in Maharashtra.

Request:

We respectfully request CBDT to extend the due date for filing Form 10AB for renewal of registration for all trusts whose registration expires on or before **31st March 2026**, which is currently on or before **30th September, 2025** to **31st December 2025**.



B. Tax on Accreted Income (Section 115TD):

The failure to secure timely re-registration, often due to technical and procedural hurdles, exposes trusts to the punitive tax on accreted income under Section 115TD. This provision, intended for extreme misuse, becomes a disproportionate penalty for genuine charitable organisations facing inadvertent non-compliance, effectively threatening their continued existence.

Request:

We respectfully request CBDT to look into the technical and procedural hurdles which exposes genuine trusts to the punitive tax on accreted income u/s.115TD, whereby threatening their continued existence.

C. Complexities of Multiple Registrations:

The requirement for trusts to manage separate renewals for registration under Section 12AB and approval under Section 80G for the same organisation creates unnecessary duplication. A consolidated or synchronised approach would significantly enhance “ease of doing good” by reducing administrative burden and the risk of inadvertently missing critical deadlines.

Request :

We respectfully request CBDT to come out with a single renewal registration form, which will significantly reduce the administrative burden and the risk of inadvertently missing critical deadlines.

D. Renewal Applications Rejected for Procedural Reasons:

Even when renewal applications under Section 12AB and approval under Section 80G are filed within prescribed timelines, many are rejected on technical grounds or subjected to repeated procedural queries. Such lapses are procedural, not substantive, yet the consequences are severe — including potential loss of exemption and exposure to Section 115TD. A rectification or condonation mechanism is required to safeguard bona fide organisations from disproportionate penalties.

Request :

We respectfully request CBDT to follow lenient approach for any technical or procedural queries for the renewal applications under section 12AB and approval under section 80G to be rejected. Certain grounds of rejections which need to be revisited are,

- a. The Trust created which are very old in some cases even before the act came into effect, there is no clause of “Irrevocable”, wherein the renewal application in Form 10AB it is compulsory field.
- b. The word “abroad” or “loan to students for higher studies” or “overseas” or “international” even though the Trust is not undertaking any of these charitable activities.

E. Delay in Release of ITR-7 Utility for AY 2025-26 and Need for Extension of Audit Report (Form 10B/10BB):

Although the statutory due date for ITR-7 filing is 31st October 2025, the return utility for AY 2025-26 was released only in the last few days of August 2025. This leaves charitable organisations and their auditors with barely one month to complete audits (Forms 10B/10BB, due on 30th September 2025), reconcile Form 10BD filings, and prepare accurate disclosures. We respectfully request that the due date for Form 10B/10BB filing be extended beyond 30th

September 2025, with the due date for ITR-7 maintained at least one month thereafter, in line with past practice.

Request :

We respectfully request CBDT to intimate the ITR-7 Utility with enough time for the Trust to file the return of income on or before the due date.

F. Ambiguity in Form 9A / Form 10 Filing Timelines:

As per law, the due date for filing Form 9A (deemed application) and Form 10 (accumulation) is two months before the ITR-7 filing due date, i.e., 31st August 2025 for AY 2025-26. However, the ITR-7 utility itself was released only a few days earlier, and recent circulars do not provide clear relaxation. This force trusts into compliance hardship, as they are expected to finalise accumulations and deemed applications without adequate time or clarity. We request that the due dates for Forms 9A/10 be aligned with the extended ITR-7 timeline or that specific relaxation be provided.

Request :

We respectfully request the CBDT to clear the ambiguity about the timeline to file Form 9A/Form 10, as the Income Tax Act, 1961 states the due date being on or before 31st August, 2025 for AY 2025-26, and also the circular issued last year is not very clear as to what should be the timeline.

Conclusion

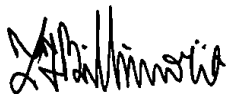
Charitable and religious trusts play a critical role in nation-building and social welfare. Given the procedural and technical challenges faced by numerous organisations, we request your urgent intervention to provide suitable relaxations and issue necessary notifications to safeguard the interests of genuine charitable institutions.

We remain confident that CBDT will consider this representation sympathetically and provide much-needed relief.

Thanking you,

Yours faithfully,

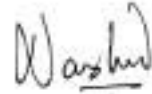
For Bombay Chartered Accountants Society,



CA. Zubin F. Billimoria
President



CA. Deepak Shah
Chairman
Direct Tax Committee



CA Naushad Panjwani
Chairman
Finance, Corporate & Allied
Laws Committee

Key Issues and Relief Sought – Condonation of Delay & Extension of Due Dates under Section 12AB

Sr. No.	Issue	Current Provision	Practical Challenges	Relief Requested
1	Condonation of delay in filing Form 10A for re-registration under section 12AB	Section 12A(1)(ac)(i) read with section 119(2)(b) permits condonation of delay in genuine cases, but no portal facility exists to file such applications.	<ul style="list-style-type: none"> - Many trusts missed the due to Lack of awareness of the change in law, especially among small trusts and trusts in rural areas, as both Request: categories do not have (a) Open a one-time the benefit of condonation window professional advice on the portal to allow - Technical issues and delayed filing of Form glitches faced on the 10A/10AB. income tax e-filing (b) Alternatively, issue portal during the initial a special relaxation implementation period. notification allowing - Affected trusts are late submissions subject being denied to conditions. registration and exemptions u/s. 11 & 12 - Donors lose benefit of 80G deduction. 	
2	Extension of due date for renewal of registration under section 12AB	For trusts whose registrations expire on or before 31 March 2026 , renewal must be filed 6 months prior i.e., latest by 30 September 2025 via Form 10AB .	<ul style="list-style-type: none"> - Large volume of renewals expected within a short window. - Gathering documents, trustee resolutions, and audit reports will take time. - Portal overload likely closer to deadline. 	Request: Extend due date for filing Form 10AB for renewals to 31 December 2025 which is currently on or before 30th September, 2025 for registrations expiring on or before 31 March 2026 .

Summary of Relief Sought

- **One-time condonation facility** for trusts that missed re-registration under section 12AB by reopening the Form 10A/10AB filing window or issuing a special relaxation notification.
- **Extension of Form 10AB renewal filing deadline** from **30 September 2025** to **31 December 2025** for registrations expiring on or before **31 March 2026**.