

## **CBDT issues draft notification for Amendment of Form No 10B of the Income-tax Rules, 1962**

Section 12A of the Income-tax Act, 1961 (the Act) provides for conditions for applicability of sections 11 and 12 of the Act. One such condition under clause (b) of subsection (1) thereof is that where the total income of the trust or institution computed without giving effect to section 11 and 12 exceeds the maximum amount not chargeable to income-tax in any previous year, its accounts for that year have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288.

It further provides that the person in receipt of said income furnishes along with the return of income for the relevant assessment year the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed.

Accordingly, vide Income-tax (2nd Amendment) Rules, 1973 w.e.f. April 1, 1973 rule 17B and Form 10B were inserted to the Income-tax Rules, 1962 (the Rules) for this purpose. Rule 17B of the Rules provide that said report of audit of the accounts of a trust or institution shall be in Form No. 10B. The Form No 10B besides providing the Audit Report provides for filing of "Statement of particulars" as Annexure.

As the rule and form were notified long ago, there is a need to rationalise them to align with the requirements of the present times.

In view of the above, the rule and form are proposed to be amended by way of substituting-

- (a) Rule 17B with a new rule 17B; and
- (b) Form No 10B with a new Form No 10B.

Please find enclosed the detailed draft notification proposing the above amendments for your reference.

**Request you to please provide your inputs (if any) on the enclosed draft notification on Amendment of**

Form No 10B of the Income-tax Rules, 1962 at [research@phdcci.in](mailto:research@phdcci.in) latest by 29th May 2019.

Warm Regards,  
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