

MINISTRY OF FINANCE

(Department of Revenue)

[CENTRAL BOARD OF DIRECT TAXES]

NOTIFICATION

New Delhi, 17th August, 2022

INCOME-TAX

G.S.R. 632(E).—In exercise of the powers conferred under clause (a) of *Explanation 3* to the third proviso to clause (23C) of section 10 and clause (a) of sub-section (2) of section 11 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. **Short title and commencement.** (1) These rules may be called the Income-tax (25th Amendment) Rules, 2022.
(2) They shall come into force from 1st day of April, 2023.
2. In the Income-tax Rules, 1962 (hereinafter referred to as principal rules), for rule 17, the following rule shall be substituted, namely:-

“17. Exercise of option etc. under *Explanation 3* to the third proviso to clause (23C) of section 10 or section 11.— (1) The option to be exercised in accordance with the provisions of the *Explanation* to sub-section (1) of section 11 of the Act in respect of income of any previous year relevant to the assessment year beginning on or after the 1st day of April, 2016 shall be in Form No. 9A and shall be furnished before the expiry of the time allowed under sub-section (1) of section 139 of the Act for furnishing the return of income of the relevant assessment year.

- (2) The statement to be furnished to the Assessing Officer or the prescribed authority under clause (a) of the *Explanation 3* to the third proviso to clause (23C) of section 10 of the Act or under clause (a) of sub-section (2) of section 11 of the Act or under the said provision as applicable under clause (21) of section 10 of the Act shall be in Form No. 10 and shall be furnished before the expiry of the time allowed under sub-section (1) of section 139 of the Act, for furnishing the return of income.
- (3) The option in Form No. 9A referred to in sub-rule (1) and the statement in Form No. 10 referred to in sub-rule (2) shall be furnished electronically either under digital signature or electronic verification code.

- (4) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall—
- specify the procedure for filing of Forms referred to in sub-rule (3);
 - specify the data structure, standards and manner of generation of electronic verification code, referred to in sub-rule(3), for purpose of verification of the person furnishing the said Forms; and
 - be responsible for formulating and implementing appropriate security, archival and retrieval policies in relation to Forms so furnished.”.
3. In the principle rules, in the APPENDIX, for Form No. 10, the following Form shall be substituted, namely:-

“FORMNo.10

[See rule 17(2)]

Statement to be furnished to the Assessing Officer/Prescribed Authority under clause (a) of the Explanation 3 to the third proviso to clause (23C) of section 10 or under clause (a) of sub-section (2) of section 11 of the Income-tax Act, 1961

To

The Assessing Officer/Prescribed Authority,

.....
.....

I,.....on behalf of.....[name of the fund /institution / trust / any university / other educational institution /any hospital / other medical institution/association having Permanent Account Number hereby bring to your notice that it has been decided by a resolution passed by the trustees/governing body/management, by whatever name called, on.....(dd/mm/yyyy) that, out of the income of the fund /institution / trust / any university / other educational institution /any hospital / other medical institution /association for the previous year, relevant to the assessment year 20xx.....-20xxx....., an amount of Rs..... which is per cent of the income of the fund /institution / trust / any university / other educational institution /any hospital / other medical institution/association for the said previous year, shall be accumulated or set apart for carrying out the purposes of the fund /institution / trust / any university / other educational institution /any hospital / other medical institution/association.

The details of the amount, the purpose and period of the proposed accumulation or setting apart is as under:-

Sr. No.	Section under which statement is being furnished < Refer Note @>	Purpose for which amount is being accumulated or set apart	Amount of accumulation (In Rs)	Period of accumulation/setting apart		
				Starting previous year yyyy-yyyyy	Ending previous year yyyy-yyyyy	Period in years
1						
2						
3						

2. The amount so accumulated or set apart has been invested or deposited in any one or more of the forms or modes specified in sub-section (5) of section 11 of the Income-tax Act, 1961.

3. It is further brought to your notice that the said.....[name of the fund /institution / trust / any university / other educational institution /any hospital / other medical institution/association] had in respect of an assessment year preceding the relevant assessment year given the statement regarding accumulation or setting apart of

an amount as required under clause (a) of the *Explanation* 3 to the third proviso to clause (23C) of section 10/ clause (a) of sub-section (2) of section 11 of the Income-tax Act, 1961 [strike off whichever is inapplicable] as detailed below:

<i>Year of accumulation</i>	<i>Date of filing Form 10</i>	<i>Amount accumulated</i>	<i>Period for which accumulated/set apart</i>	<i>Amount applied upto the end of the previous year</i>	<i>Amount remaining for application</i>	<i>Amount deemed to be income within the meaning of the Explanation 4 to the third proviso to clause (23C) of section 10/ sub-section (3) of section 11</i>

4. It is also brought to your notice that, out of incomes detailed in 3 above, due to the order/injunction of the court the income as detailed below could not be applied for the purpose for which it was accumulated or set apart:-

<i>S. No.</i>	<i>Amount of income</i>	<i>Previous year in which accumulated or set apart</i>	<i>Period during which it could not be applied due to court order</i>	<i>Details of court order</i>

Date:

#Signature.....

Designation

Address.....

Notes:

1. #This statement should be signed by a trustee/principal officer.
2. @For section code please fill either of the following codes:

Section	Code
Clause (a) of Explanation 3 to the third proviso to clause (23C) of section 10	1
Clause (a) of sub-section (2) of section 11	2
Clause (a) of sub-section (2) of section 11 read with clause (21) of section 10	3.”.

[Notification No. 96/2022/ F.No. 370142/34/2022-TPL]

NEHA SAHAY, Under Secy.

Note: The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii) *vide* number S.O. 969(E) dated the 26th March, 1962 and last amended *vide* notification number G.S.R. 622(E) dated 10th August, 2022