Section - 12A, Income-tax Act, 1961-2013

[36][[37][**Conditions for applicability of sections 11 and 12.**]

[38]**12A.** [39][(1)] [40]The provisions of section 11 and section 12 shall not apply in relation to the income of any trust or institution unless the following conditions are fulfilled, namely:—

(*a*) the person in receipt of the income has made an application for registration of the trust or institution in the prescribed form[41] and in the prescribed manner to the [42][***] Commissioner before the 1st day of July, 1973, or before the expiry of a period of one year from the date of the creation of the trust or the establishment of the institution, [43][whichever is later and such trust or institution is registered under section 12AA] :

[44][**Provided** that where an application for registration of the trust or institution is made after the expiry of the period aforesaid, the provisions of sections 11 and 12 shall apply in relation to the income of such trust or institution,—

(*i*) from the date of the creation of the trust or the establishment of the institution if the [45][***] Commissioner is, for reasons to be recorded in writing, satisfied that the person in receipt of the income was prevented from making the application before the expiry of the period[46] aforesaid for sufficient reasons;

(*ii*) from the 1st day of the financial year in which the application is made, if the [47][***] Commissioner is not so satisfied:]

[48][**Provided further** that the provisions of this clause shall not apply in relation to any application made on or after the 1st day of June, 2007;]

[48][(*aa*) the person in receipt of the income has made an application for registration of the trust or institution on or after the 1st day of June, 2007 in the prescribed form[49] and manner to the Commissioner and such trust or institution is registered under section 12AA;]

(*b*) where the total income of the trust or institution as computed under this Act without giving effect to [50][the provisions of section 11 and section 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year], the accounts of the trust or institution for that year have been audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288 and the person in receipt of the income furnishes along with the return of income for the relevant assessment year the report of such audit in the prescribed form[51] duly signed and verified by such accountant and setting forth such particulars as may be prescribed.]

(*c*) [52][***]

[53][(2) Where an application has been made on or after the 1st day of June, 2007, the provisions of sections 11 and 12 shall apply in relation to the income of such trust or institution from the assessment year immediately following the financial year in which such application is made.]