

Displaying Bank account details in Public

(Trust Advisory no. 6 / 2022)

Trust / NGO / Sec 8 having 80G & 12AB Registrations.

1. It is observed that Trust / NGO / Sec 8 registered with Income tax Department for Sec 12AB and 80G are disclosing their all bank details in Public for collecting Fund /donations
 1. Such display of bank details in public place and in public documents like brochures, leaflets, banners will be easy for any person willing to donate fund.
2. Unknown receipt of funds/ donations at Trust /NGO / Sec 8 will be challenging from FY 21-22 as each 80G registered Trust / NGO / Sec 8 need to file Donation return in Form 10DB.
3. Such unknown donor transfers or deposits funds / donations directly in bank account without communicating any details to Trust / NGO/ Sec 8, Such receipt in bank account doesn't give any information about donor name or other details. Some time, it is only IMPS payment with numbers & alphabets mentioned in transaction details. It is difficult to track details of such donations. Such donors expect Trust / NGO / Sec 8 to keep track of donations and issue donation receipt on timely basis. In absence of any data, preparing Donation receipt is also challenging. Not issuing receipt to donor some attract bad name to Trust / NGO / Sec 8.
4. It is advisable to create Android Application / website along with payment gateway to collect all details of donor at the time of receiving donation/funds. This will ensure donation amount and donor details are easily available for filing Donation return before 31st May.

issued in public interest by

Shunya Advisors Private Limited

info@shunyaadvisors.com

70453 14999 / 70456 07835