

F.No.197/55/2018-ITA-I  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes

CIRCULAR No. 10 / 2019

North Block, New Delhi the 22<sup>nd</sup> May, 2019

**Subject: Condonation of delay in filing of Form no. 10B for years prior to AY 2018-19-reg.**

Under the provisions of section 12A of Income-tax Act, 1961 (hereafter 'Act') where the total income of a trust or institution as computed under the Act without giving effect to 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 to be audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the person in receipt of the income is required to furnish 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.

2. As per Rule 17B of the Income-tax Rules, 1962 (hereafter 'Rules') the audit report of the accounts of such a trust or institution is to be furnished in Form no. 10B. As per Rule 12(2) of the Rules, such audit report is to be furnished electronically. The failure to furnish such report in the prescribed form along with the return of income results in disentitlement of the trust from claiming exemption under sections 11 and 12 of the Act.

3. Representations have been received by the Board/field authorities stating that Form no. 10B could not be filed along with the return of income for AY 2016-17 and AY 2017-18. It has been requested that the delay in filing of Form no. 10B may be condoned. Previously, vide instruction in F. No. 267/482/77-IT(part) dated 09.02.1978, the CBDT had authorized the ITO to accept a belated audit report after recording reasons in cases where some delay has occurred for reasons beyond the control of the assessee.

4. Accordingly, in supersession of earlier Circular/Instruction issued in this regard, and with a view to expedite the disposal of applications filed by such trusts or institutions for condoning the delay in filing Form no. 10B and in exercise of the powers conferred under section 119(2) of the Act, the Central Board of Direct Taxes hereby directs that:

- (i) The delay in filing of Form no. 10B for AY 2016-17 and AY 2017-18, in all such cases where the Audit Report for the previous year has been obtained before the filing of return of income and has been furnished subsequent to the filing of the return of income but before the date specified under section 139 of the Act is condoned.
- (ii) In all other cases of belated applications in filing Form no.10B for years prior to AY 2018-19, the Commissioners of Income-tax are authorized to admit such applications for condonation of delay u/s 119(2)(b) of the Act. The Commissioners will while entertaining such belated applications in filing Form no.10B shall satisfy themselves that the assessee was prevented by reasonable cause from filing such application within the stipulated time. Further, all such applications shall be disposed off by 30.09.2019.

  
(Rajarajeswari R.)

Under Secretary to the Government of India

1. PS to FM/OSD to FM/ PS to MoS (R) / OSD to MoS (R)
2. PPS to Secretary(Revenue)
3. The Chairperson, Members and all other officers in CBDT of the rank of Under Secretary and above.
4. All Pr. Chief Commissioners/ Pr. Director General of Income-tax/ Chief Commissioner of Income-tax (Exemptions) – with a request to circulate amongst all officers in their regions/ charges.
5. Pr. DGIT (Systems) with request to rectify the orders u/s 143(1)(a) in those cases in which exemption has been denied on the issue as in para 4(i) above.
6. CIT(M&TP), CBDT and Official spokesperson of CBDT.
7. The Additional Director General (PR & PP), New Delhi).
8. ITCC Division of CBDT
9. Data Base Cell – for placing it on [www.irsofficersonline.gov.in](http://www.irsofficersonline.gov.in)
10. DIT (S) -4/ Web manager for placing it on [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)
11. The Guard File

  
25/2/19  
Under Secretary to the Government of India