

'Skill to Succeed' Series for



Episode 3: Compliances for Development Sector

Date: 29th June 2019

Venue: PRIA NGO



JADEITE SOLUTIONS

'WHAT MATTERS TO PEOPLE' TO SHAPE 'PEOPLE WHO MATTER'

Compliance



Is ignorance a bliss?

- FCRA license revoked
- Issues with GST
- Issues with Income tax
- Notice from govt authorities
- Penalties / fines

- ✓ Clearance to receive foreign funds
- ✓ GST compliant
- ✓ Tax planning and implementation
- ✓ Statutory compliance in place
- ✓ No penalties/fines



Is it worth spending time, effort and money on compliance?

In 2017, the Ministry of Home Affairs of India cancelled the license of 4800 non-governmental organisations (NGOs) due to non-filing or discrepancies in their annual FCRA returns. It's estimated that at least 10,000 FCRA licenses, needed to receive foreign funds, have been revoked. Some of this is purely administrative – organisations failing to submit the proper paperwork. But it was also tactical on the part of the government: requiring short turnaround times, or digital returns for small organisations presents a huge barrier to organisations lacking capacity.

It is vital to understand various compliances to be maintained by non-governmental organisations (NGOs). Some of these compliances are:

1. PAN Card for NGOs
2. Service Tax, VAT, Professional Tax Registrations
3. TAN Registration
4. FCRA Registrations
5. 12 A certificate & 80G certificate
6. Registrations related with retirement benefits, including Provident Fund, ESIC, Gratuity



Agenda

Theme	Topics	Details	Mode of delivery
GST	Background Applicability	Overview; concept of IGST, CGST and SGST; Point of taxation and reverse charge mechanism Applicability to NGOs; Grants and donations; Sales, consulting and other income generating activities Filing of returns; TDS, TCS; Q&A session	Presentation, case studies. discussion, learning tools like flash cards
FCRA	Provisions, developments and challenges	Overview; latest developments; changes in definition of FCRA source for Indian registered companies FC-6: compulsory online updation Penalties on late filing; not filing the annual returns	
Income tax	Implications of specific sections	Section 12AA, 80G and 80GGA E-filing of income tax returns TDS; other queries	
Record keeping	Compliances Best practices	Period for particular records to be maintained Best practices, MIS	



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