



Date: 30 March 2020

To,

Smt. Nirmala Sitaraman  
Hon'ble Minister of Finance  
Govt. of India, New Delhi.

Respected Madam Finance Minister,

**Sub: Extension of time limit u/s 80G to 30<sup>th</sup> June 2020 for donation made to the PMCARES Fund, Prime Ministers' National Relief fund (PMRF) and The Chief Ministers' Relief funds (CMRF)u/s 80G(I)(i) of the Income Tax Act, 1961**

The Country is responding in one voice to the clarion call given by our Hon'ble Prime Minister to contribute generously to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PMCARES Fund) primarily to garner resources to fight the COVID19 challenge and to meet such situations in future.

Madam, the 1541 strong urban cooperative banking sector with total of nearly 20 million membership of which the NAFCUB is the apex representative body, is keen on making contributions for the financial year 2019-20 and also for 2020-21 to the maximum amounts possible from out of their profits.

However, as per RBI guidelines to urban cooperative banks on donation to PMRF & CMRF vide Circular No UBD.BPD.(PCB).Cir No. 7/09.72.000//2013-14 dated August 30, 2013 an urban bank cannot make any donation in excess of 1% the net profit of the bank of preceding financial year with an additional 1% for the donations to PMRF and CMRF which is allowed on payment basis.

80G(4) of the Income Tax Act, 1961 allows any assessee to an amount of any sum of donation paid without any qualifying limit, to PMRF & CRMF and also to PMCARES Fund. Thus, in terms of IT Act 1961 any co-operative bank should be



free to contribute without any restriction to PMCARES Fund, PMRF & CMRF, on payment basis.

Further, tax compliance package on 24<sup>th</sup> March 2020 has already been announced wherein all deadlines including for investment in saving instruments eligible for deductions u/s 80 C of the Act, is extended to 30<sup>th</sup> June 2020 for F.Y.2019-20.

In view of the above, we urgently request you for the following.

- a. To allow the contribution made to PMCARES Fund, PMRF & CMRF on payment basis up to 30<sup>th</sup> June 2020 for the F.Y. 2019-20.
- b. To advise RBI to consider contribution made after 31<sup>st</sup> March 2020 , i.e. up to 30<sup>th</sup> June 2020, to be for the Financial Year 2019-20, so that the banks could make further contributions after June 30<sup>th</sup> 2020, for the financial year 2020-21.

We hope, our above mentioned request is considered favorably and the date for 80G deduction is extended up to 30<sup>th</sup> June 2020.

Since the banks have just one day left, an immediate order will be of great help.

With kind regards,

Yours Sincerely,

(Jyotindra Mehta)

Copy to:

Shri Amitbhai Shah

Hon. Minister of Home

Govt. of India, New delhi.