

Association of Persons (AOP) / Body of Individuals (BOI) / Trust / Artificial Juridical Person (AJP) for AY 2022-23

Returns and Forms Applicable to Association of Persons (AOP) / Body of Individuals (BOI) / Trust / Artificial Juridical Person (AJP) for AY 2022-23



Disclaimer: The content on this page is only to give an overview / general guidance and is not exhaustive. For complete details and guidelines, please refer Income Tax Act, Rules and Notifications.

An Association of Persons (AOP) or a Body of Individuals (BOI), whether incorporated is treated as a person u/s 2(31) of the Income Tax Act, 1961. It is important to note that an AOP or BOI shall be deemed to be a person, whether or not, it was formed or established or incorporated with the object of deriving income, profits or gains.

Trust created wholly for charitable or religious purposes are allowed various benefits under the Income Tax Act, inter-alia, exemption u/s 11.

Artificial Juridical Person - If an Assessee does not fall under any of the other categories that are included in the definition of **Person** then it is regarded as an Artificial Juridical Person. These entities are not natural persons but separate entities as per law.

1. ITR-5

This form can be used by a Person being a:

1. Firm
2. Limited Liability Partnership (LLP)
3. Association of Persons (AOP)
4. Body of Individuals (BOI)
5. Artificial Juridical Person (AJP) referred to in clause (vii) of Section 2(31)
6. Local Authority referred to in clause (vi) of Section 2(31)
7. Representative Assessee referred to in Section 160(1)(iii) or (iv)
8. Cooperative Society
9. Society registered under Societies Registration Act, 1860 or under any other law of any State
10. Trust other than Trusts eligible to file Form ITR-7
11. Estate of Deceased Person
12. Estate of an Insolvent
13. Business Trust referred to in Section 139(4E)
14. Investments Fund referred to in Section 139(4F)

ⓘ Note: However, a person who is required to file the Return of Income u/s 139(4A) or 139(4B) or 139(4D) shall not use this form.

2. ITR-7

Applicable for Persons including Companies who are required to furnish return u/s 139(4A) or Section 139(4B) or Section 139(4C) or Section 139(4D)

139(4A) – Income derived from Property held under Trust wholly / in part for charitable or religious purposes	139(4B) – Chief Executive Officer of every Political Party	139(4C) – Various entities like Research Association, News Agency, etc. mentioned in Section 10	139(4D) – University, College or other Institution referred in Section 35
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Note: The category of persons whose income is unconditionally exempt under various clauses of Section 10, and who are not mandatorily required to furnish their Return of Income under the provisions of Section 139, may use this form for filing return (for instance - Local Authority).

Forms Applicable

1. Form 26AS - Annual Information Statement

Provided by

Income Tax Department (It is available on the TRACES portal that may be accessed after logging on to e-Filing portal or Internet Banking)

Details provided in the form

- Tax Deducted / Collected at Source
- Advance Tax / Self-Assessment Tax
- Specified Financial Transactions
- Demand / refund
- Pending / Completed proceedings

2. Form 3CA-3CD

Provided by

Taxpayer who is required to get their accounts audited by an Accountant u/s 44AB. To be furnished on or before 30th September of the Assessment Year

Details provided in the form

Report of Audit of Accounts and Statement of Particulars required to be furnished u/s 44AB of the Income Tax Act, 1961

3. Form 3CB-3CD

Submitted by

Taxpayer who is required to get his accounts audited by an Accountant u/s 44AB. To be furnished on or before 30th September of the Assessment Year

Details provided in the form

Report of Audit of Accounts and Statement of Particulars required to be furnished u/s 44AB of the Income Tax Act, 1961

4. Form 10B

Submitted by

Taxpayer who is required to obtain a report from an Accountant u/s 12A(1)(b) of the Income Tax Act, 1961, in the case of charitable or religious trusts or institutions

Details provided in the form

Audit Report U/S 12A (1) (b) of the Income Tax Act, 1961, in the case of charitable or religious trusts or institutions is to be filed 1 month before the due date for filing ITR u/s 139(1)

5. Form 10BB

Submitted by	Details provided in the form
Taxpayer who is required to obtain report from an Accountant u/s 10(23C) of the Income Tax Act, 1961	Audit Report u/s 10(23C) of the Income Tax Act, 1961, in case of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of Section 10(23C) is to be filed 1 month before the due date for filing ITR u/s 139(1)

6. Form 10

Submitted by	Details provided in the form
Charitable or religious trust or institution or association	Statement furnished towards accumulation or setting apart of income by a charitable or religious trust or institution or association towards specific purpose

7. Form 10A

Submitted by

Details provided in the form

Charitable or religious Trust or institution or association or company

Application for registration or provisional registration or intimation or approval or provisional approval of charitable or religious trust or institution or association

8. Form 10G

Submitted by

Details provided in the form

Charitable or religious trust

Application for Grant of Approval or continuance thereof to institution or fund u/s 80G(5)(vi) of the Income Tax Act, 1961

9. Form 10BD

Submitted by	Details provided in the form
Charitable or religious Trust	Statement towards particulars of donation received for a particular FY. To be furnished on or before 31st May of the FY immediately following the FY in which the donation is received

10. Form 9A

Submitted by	Details provided in the form
Charitable or religious trust	Application furnished for exercise of option under clause (2) of explanation to Section 11(1) where application of income falls short of 85% due to non-receipt and needs to be applied during the previous year in which it is received

11. Form 16A

Provided by	Details provided in the form
Deductor to Deductee	Form 16A is a Tax Deducted at Source (TDS) Certificate issued quarterly that captures the amount of TDS, Nature of Payments and the TDS payments deposited with the Income Tax Department

Tax Slabs for AY 2022-23

Tax rates of AOP / BOI / AJP are given below, however they are subject to further conditions described later.



Note: Trusts which are not exempt from taxation as per relevant provisions and require approvals / registrations under the Income Tax Act, are assessed as AOP.

Total Income	Income Tax Rate
Up to ₹ 2,50,000	Nil
Ranging between ₹ 2,50,001 - ₹ 5,00,000	5% of income in excess of ₹ 2,50,000
Ranging between ₹ 5,00,001 - ₹ 10,00,000	₹ 12,500 + 20% of income in excess of ₹ 5,00,000
Above ₹ 10,00,000	₹ 1,12,500 + 30% of income in excess of ₹ 10,00,000

Tax liability of AOP / BOI depends on whether or not share of members of AOP / BOI are known. Accordingly, further applicable conditions are as follows:

Nature of AOP / BOI	AOP / BOI - Assessed	Member -Assessed
Share determined	<p>Where income of none of the members exceeds the maximum amount, which is not chargeable to income tax (i.e., basic exemption limit), income of AOP / BOI shall be taxable at a rate applicable to an individual.</p> <p>Income of AOP is assessed at Maximum Marginal Rate where income of any member of AOP / BOI exceeds the maximum amount which is not chargeable to income tax (i.e., basic exemption limit). But if total income of any member of AOP / BOI is taxable at a rate higher than Maximum Marginal Rate, then income of AOP / BOI shall be chargeable to tax as follows:</p> <ul style="list-style-type: none"> • Portion of income attributable to such member shall be taxable at such high rate as applicable to that member • Balance portion of income shall be taxable at the Maximum Marginal Rate of tax (i.e., 30% plus surcharge and HEC as applicable) 	Share of profits received by members is exempt in the hands of the members
Share indeterminate or unknown	Income is assessed at Maximum Marginal Rate. However, if total income of any member is assessed at a rate higher than Maximum Marginal Rate, income of AOP / BOI is assessed at that higher rate	The share of income is exempt in the hands of the member

Surcharge, Marginal Relief and Health and Education cess

What is Surcharge?

Surcharge is levied on the amount of income tax at following rates if total income exceeds specified limits:

- 10% - Taxable income above ₹ 50 lakh - Up to ₹ 10 crore
- 15% - Taxable income above ₹ 1 crore - Up to ₹ 2 crore
- 25% - Taxable income above ₹ 2 crore - Up to ₹ 5 crore
- 37% - If taxable income above ₹ 5 crore
- Maximum Surcharge on income u/s 111A, 112A and 115AD is 15%



What is Marginal Relief?

Marginal Relief is relief from surcharge provided in case where the surcharge payable exceeds the additional income that makes the person liable for surcharge. The amount payable as surcharge shall not exceed income earned exceeding ₹ 50 lakhs, 1 crore, 2 crore or 5 crore respectively.

What is Health and Education cess?

Health and Education cess – An additional 4% Health and Education cess is also applicable on the amount of income tax calculated according to the above tax slabs plus surcharge (if any).



Note: An AOP / BOI who's adjusted total income exceeds ₹ 20 lakh shall be liable to pay Alternate Minimum Tax (AMT) at 18.5% of adjusted total income (plus surcharge and Health and Education cess as applicable), where the normal tax liability is less than 18.5% of adjusted total income.

Investments / Payments / Incomes on which I can get Tax Benefit

Tax deductions specified under Chapter VI-A of the Income Tax Act.

80G

Deduction towards Donations made to certain funds, charitable institutions, etc.

Donation are eligible for deduction under the below categories:

Without any limit



100% deduction

50% deduction

Note: No deduction shall be allowed under this section in respect of donation made in cash exceeding ₹ 2000/-.

Subject to qualifying limit



100% deduction

50% deduction

80GGA

Deduction in respect of certain donations for Scientific Research or Rural Development.

Donation are eligible for deduction under the below categories:

Research Association or University, College or other Institution for:

- Scientific Research
- Social Science or Statistical Research

Association or Institution for:

- Rural Development
- Conservation of Natural Resources or for afforestation

PSU or Local Authority or an Association or Institution approved by the National Committee for carrying out any eligible project

Funds notified by Central Government for:

- Afforestation
- Rural Development

National Urban Poverty Eradication Fund as set up and notified by Central Government

Note: No deduction shall be allowed under this section in respect of donation made in cash exceeding ₹ 2000/- or if Gross Total Income includes income from Profit / Gains of Business / Profession.

80GGC

Sum contributed to Political Party or Electoral Trust is allowed as deduction
(subject to certain conditions)



Deduction of total amount paid through any mode other than cash

80IA

Undertaking engaged in Developing, Maintaining and Operating any Infrastructure Facility (only Indian Company), industrial parks (any Undertaking), any Power Undertaking, Reconstruction or Revival of Power Generating Plants (Indian Company) shall be entitled to claim deduction
(subject to certain conditions)



100% of profit for 10 consecutive AY falling within a period of 15 / 20 AY beginning with the AY in which Assessee develops / begins operating and maintaining infrastructure facility

(No deduction shall be allowed if development, operation, etc. started after specified dates for specified business)

80IAB

Deduction in respect of Profits and Gains by an Undertaking or an Enterprise engaged in development of Special Economic Zone
(subject to certain conditions)



100% of profit for 10 consecutive AY out of 15 AY beginning from the year in which a Special Economic Zone has been notified by the Central Government

No deduction to an Assessee, where the development of Special Economic Zone begins on or after 1st April 2017

80IB

Deduction towards Profits and Gains from specified business.

The deduction under this section is available to an Assessee whose Gross Total Income includes any Profits and Gains derived from the business of:

Industrial Undertaking including an SSI in J&K

Commercial Production and Refining of Mineral Oil

Processing, Preservation and Packaging of Fruits or Vegetables, Meat and Meat Products or Poultry or Marine or Dairy Products; Integrated Business of Handling, Storage and Transportation of Food Grains;

(subject to certain conditions)

100% / 25% of profit for 5 / 10 / 7 years as per conditions specified for different types of undertakings

80IBA

Profit and Gains derived from Developing and Building Housing Projects



100% of profit subject to various conditions specified

80IC

Deduction in respect of certain Undertakings in Himachal Pradesh, Sikkim, Uttarakhand and North-Eastern states (subject to certain conditions)



100% of profits for first 5 AY and 25% (30% for a company) for next 5 AY to manufacture or produce specified article or thing

80IE

Deduction to certain Undertakings set up in North- Eastern states (subject to certain conditions)



100% of profits for 10 AY subject to various conditions specified

80JJA

Deduction in respect of Profits and Gains from Business of Collecting and Processing of Biodegradable Waste (subject to certain conditions)



100% of profits for 5 AY where the Gross Total Income of an Assessee includes any Profits and Gains derived from the Business of Collecting and Processing or treating of Biodegradable Waste

80JJAA

Deduction in respect of Employment of New Workers / Employees, applicable to Assessee to whom Section 44AB applies
(subject to certain conditions)



30% of additional employee cost for 3 AY, subject to certain conditions

80LA

Deduction for Income of Offshore Banking Units and International Financial Services Centre
(subject to certain conditions)



100% / 50% of specified income for 5 / 10 AY, as per specified conditions