

The Finance Bill 2023 has proposed that any “application” made out of Loan or Borrowing can be offset against future years income within a period of five years from the end of the year in which such Loan or Borrowing was applied for Charitable Purposes. Such amount shall be allowed as application in the year in which the repayment of such Loan and Borrowing, to the extent of such repayment.

This provision shall apply to all the application made from Loan or Borrowing after 1st April 2021, to the extent eligible.

As per earlier provisions, such amount was allowed as application, irrespective of the time boundation.

For details, please read Standards & Norms Volume XV, Issue 10 at: <https://www.fmsfindia.org.in/standards-norms/budget-2023>.

DO YOU KNOW?



The Finance Bill 2023 proposed that application made out of Loan or Borrowing can only be setoff against future years income within 5 years.

