

Donations for Tsunami Relief

A number of credible Indian NGOs are mobilizing resources and providing relief to the victims of the Tsunami that hit the eastern coast of India on December 26, 2004.

Tax Deductions

So far only donations made to The Prime Minister's National Relief Fund qualify for 100% deductions.

Donations given to other trusts, institutions and voluntary organizations qualify for only 50% deduction.

The Government of India is likely to declare the Tsunami as a national calamity and extend 100% deduction for donations given to trusts, institutions or funds providing relief to the victims of the Tsunami as was done at the time of the massive earthquake in Gujarat.

The Prime Minister's National Relief Fund

The Prime Minister's National Relief Fund, created shortly after Independence, provides immediate relief to people in distress. The Fund depends entirely on voluntary donations received from the public.

The Fund renders assistance to individuals facing distress situations. Its resources are utilized for the provision of immediate relief to the families of those killed in natural calamities like floods, cyclones and earthquakes. It also grants assistance to families affected by major disturbances, riots and accidents.

Contributions to the Fund can be deposited in select branches of the Central Bank of India, State Bank of India, Bank of India, Indian Overseas Bank, Syndicate Bank and the Punjab National Bank through cheques or bank drafts in favour of the 'Prime Minister's National Relief Fund'.

Contributors who live outside India may deposit their contributions with the nearest Indian Mission or in any branch of the State Bank of India for transfer to the Prime Minister's National Relief Fund.

All the branches of commercial banks are accepting donations to the Prime Minister's National Relief Fund (PMNRF). Banks offering on line remittance services will offer the service for remitting donations free of charge.

Contributors who live outside India may deposit their contributions with the nearest Indian Mission or in any branch of the State Bank of India for transfer to the Prime Minister's National Relief Fund.

FCRA

In order to facilitate the immediate acceptance of foreign assistance, in cash and kind by various agencies working in the Tsunami hit coastal areas of Andaman & Nicobar Islands, Andhra Pradesh, Tamil Nadu, Pondicherry and Kerala and in other parts of the country for providing relief to the affected persons, the Central Government has exempted, with immediate effect and up to 31st March, 2005, all associations (other than a Political Party) having a definite cultural, economic , educational, religious or social programme, from the provisions of section 6(1-A) of the Act to accept foreign contribution, in cash and kind, for providing relief to the affected persons without obtaining a formal approval of the Central Government, subject to the following Conditions-

- (i) Each such association would open a new bank account for this purpose;
- (ii) The said account would be designated as the **“Tsunami Relief Account”**;
- (iii) The association would receive foreign contribution only in the said designated bank account;
- (iv) The association would maintain a separate set of accounts and records in respect of foreign contribution received in the said designated bank account;
- (v) The association would submit its particulars in Form FC-1A to the Foreigners Division of the Ministry of Home Affairs within one week of the opening of the said designated bank account;
- (vi) The association would make an intimation regarding receipt of foreign contribution in Form FC-3 and in Form FC-6 in respect of articles, duly certified by a Chartered Accountant, within 4 months of the closure of the year to the Foreigners Division of the Ministry of Home Affairs in the manner prescribed in Foreign Contribution (Regulation) Rules, 1976.

The Forms can be downloaded from the Ministry of Home Affairs Website at <http://mha.nic.in/fore.htm>

Voluntary organizations already registered under the Foreign Contribution (Regulation) Act, 1976 **have been permitted, as a special case, to receive foreign contribution in cash and kind for assisting the victims of Tsunami, irrespective of the fact that their aims and objects provide for such activity or not, under intimation to the Ministry of Home Affairs.**

Certain voluntary organizations are also in receipt of permission to accept foreign contribution for a specific project. **Such organizations are also permitted, as a special case, to use the foreign contribution for assisting the victims of Tsunami, under intimation to the Ministry of Home Affairs.**

For further information/queries please contact:

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Government of India

Ministry of Home Affairs

Foreigners Division

Lok Nayak Bhavan,

Khan Market,

New Delhi – 110 003

Dated the 30th December, 2004

ORDER

Whereas no association having a definite cultural, economic, educational, religious or social programme shall accept foreign contribution unless such association registers itself with the Central Government or obtains the prior permission of the Central Government under section 6 of the Foreign Contribution (Regulation) Act, 1976, hereinafter referred to as the 'Act'.

2. Whereas in the aftermath of the severe Tsunami affected coastal areas in Andaman & Nicobar Islands, Andhra Pradesh, Tamil Nadu, Pondicherry and Kerala, a number of foreign sources have expressed a desire to send contributions, in cash and kind, to various agencies working in these areas and in other parts of the country to assist the victims of Tsunami.

3. Whereas the immediate arrival of this assistance is of paramount importance to provide succour to the affected persons and it is in the public interest to dispense with the procedure prescribed for the acceptance of foreign contribution in the said Act, as a special case for this purpose only.

4. Now, Therefore, in exercise of the powers conferred by section 31 of the said Act, the Central Government hereby exempts, with immediate effect and upto 31st March, 2005, all associations (other than a Political Party) having a definite cultural, economic , educational, religious or social programme, from the provisions of section 6(1-A) of the Act to accept foreign contribution, in cash and kind, for providing relief to the Tsunami victims without obtaining a formal approval of the Central Government, Subject to the following Conditions-

- (i) Each such association would open a new bank account for this purpose;
- (ii) The said account would be designated as the "Tsunami Relief Account";
- (iii) The associations would receive foreign contribution only in the said designated bank account;
- (iv) The association would maintain a separate set of accounts and records in respect of foreign contribution received in the said designated bank account;
- (v) The association would submit its particulars in Form FC-1A to the Foreigners Division of the Ministry of Home Affairs within one week of the opening of the said designated bank account;
- (vi) The association would make an intimation regarding receipt of foreign contribution in Form FC-3 and in Form FC-6 in respect of articles, duly certified by a Chartered Accountant, within 4 months of the closure of the year to the Foreigners Division of the Ministry of Home Affairs in the manner prescribed in Foreign Contribution (Regulation) Rules, 1976.

5. The Forms can be downloaded from the Ministry of Home Affairs Website at **<http://mha.nic.in/fore.htm>**

(D.S. Mishra)

Joint Secretary to the Govt. of India