

DO YOU KNOW ?

**Inter-charity donations  
can not be made from  
accumulated funds**

As per the Income Tax Act, 1961, once the funds have been accumulated under section 11(2), it can be only utilized for charitable purpose within 5 years directly by the organization who accumulated it and cannot be transferred to other organizations.

However, if a charitable organization is dissolved, then inter-charity donations from the accumulated funds will be allowed under section 11(2) of Income Tax Act, 1961.