

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

**LOK SABHA
UNSTARRED QUESTION NO. 4981**

TO BE ANSWERED ON MONDAY, THE 23rd MARCH, 2026/CHAITRA 02, 1948 (SAKA)

“TAX EXEMPTION TO RELIGIOUS INSTITUTIONS”

4981. Shri Anil Yeshwant Desai:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that religious places of worship and institutions are exempted from paying any tax to the Government, if so, the details thereof;
- (b) whether religious places or institutions belonging to Hindu or Muslim, Sikh etc. have paid any tax during the last ten years, if so, the details thereof; and
- (c) whether some religious institutions are not required to pay any tax, if so, the details thereof along with the reasons therefor?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a): As per provisions of the Income Tax Act, 1961, income derived from property held under trust wholly for charitable or religious purposes may be exempt from income tax, subject to fulfilment of the conditions prescribed under the Act. Such trusts or institutions are required to obtain registration under the relevant provisions of the Income tax Act, 1961, such as section 12A/12AB, and must apply their income for charitable or religious purposes in accordance with the provisions contained in section 11 and 12 of the Act. However, where the prescribed conditions are not fulfilled or where the provisions of section 13 become applicable, the exemption may be denied and the income becomes liable to tax in accordance with the provisions of the Act.

Vide Notification No.12/2017-CT (R) dated 28.06.2017, GST exemptions have been provided in relation to all services provided by religious entities registered under section 12AA or 12AB of the Income Tax Act, 1961. Further, same notification also exempts conduct of any religious ceremony along with service of renting of precincts of a religious place meant for the general public subject to specific monetary thresholds prescribed therein. Further as per Sl.102 of Notification No.10/2025-CT (R) dated 17.09.2025, Prasadam supplied by religious places is also exempted from GST whereas items like puja samagri, milk etc are also exempted from GST whether or not supplied by religious places.

(b): The income tax liability of the entities filing income tax return in Form ITR-7 (which inter-alia includes activities of providing relief to poor, education, religious, medical, yoga etc.) in the last ten years is tabulated below:

(Rs. in crores)

Assessment Year	Total tax liability
2016-17	544
2017-18	713
2018-19	689
2019-20	394
2020-21	366
2021-22	356
2022-23	419
2023-24	816
2024-25	781
2025-26 (upto 31-01-2026)	1041

(c): Please see reply to (a) above.
