Taxation of Electoral Trust

Electoral trust are trust constituted for funding the political parties in an organized manner .

1. Any voluntary contributions received by the electoral trust shall be exempt if the following conditions are satisfied .

D- The electoral trust should be distributed at least 95% of the voluntary contributions received during the financial year and surplus if any brought forward from the earlier years

R- The political party receiving such contributions should be registered under the representation of people act, 1951

F- The electoral trust should function in accordance with the rules framed by the central government