

Form 109 – Frequently Asked Questions

Statement of accumulation or setting apart of regular income under section 342(1) of the Income-tax Act, 2025

Name of form as per I.T. Rules, 1962	Form 10	Name of form as per I.T. Rules, 2026	FN 109
Corresponding section of I.T. Act, 1961	<i>Explanation</i> 3 to the third proviso to clause (23C) of section 10 or section 11	Corresponding section of I.T. Act, 2025	342(1)
Corresponding Rule of I.T. Rules, 1962	17(2)	Corresponding Rule of I.T. Rules, 2026	RN 185

1: What is FN 109 ?

Ans: FN 109 is a statement to be furnished electronically/digitally by a registered non-profit organisation willing/opting to accumulate or set-apart a part of regular income under section 342(1) of the Act for application in subsequent tax-years for a period not exceeding 5 tax-years.

2: Who should file FN 109?

Ans: Any registered non-profit organisation willing/opting to accumulate or set apart an amount in accordance with provisions of section 342(1) of the Act is required to file FN 109

3: Is FN 109 mandatory?

Ans: FN 109 is mandatory for making claim such accumulated or set-apart amount in accordance with provisions of section 342(1) of the IT Act, 2025

4: What is the time limit for filing FN 109?

Ans: FN 109 is required to be filed on or before the due date of filing of return of income for the concerned tax-year u/s 263(1) of the Income-tax Act, 2025.

5: Where can I file FN 109 and to which authority is it required to be furnished to ?

Ans: FN 109 is required to be furnished electronically to Commissioner of Income Tax (CPC) on the e-filing portal.

6 : What happens after I file FN 109 ?

Ans: Upon successful filing of FN 109, the registered non-profit organisation may claim such reported amount in FN 109 as amount accumulated or set-apart in accordance with provisions of section 342(1) of the Act in the return of income filed subsequently.

7: Can I edit FN 109 after submission?

Ans: No. Once FN 109 is submitted, it **cannot be edited**. Ensure all details are correct before submission.

8: While filling Part A of FN 109, can I leave PAN blank?

Ans: A valid PAN is mandatory for all applicants filling the form and FN 109 cannot be filed in absence of PAN.

9: Can FN 109 be filed offline?

Ans: No. FN 109 can only be submitted **online** through the Income Tax e-Filing portal.

10: Why is FN 109 important?

Ans: FN 109 is important to file within prescribed time limits as non-filing or delayed filing shall result in losing the benefit of claiming exemption on such accumulated amount as application of the income thereby bringing such income to tax in the tax year of such receipt of income.