

## FORM 20 — Frequently Asked Questions (FAQs)

### Application for approval of Agricultural Extension Project under Section 47(1)(a) of the Income-tax Act, 2025

<b>Name of Form as per I.T. Rules, 1962</b>	<b>3C-O</b>	<b>Name of Form as per I.T. Rules, 2026</b>	<b>20</b>
<b>Corresponding section of I.T. Act, 1961</b>	<b>35CCC</b>	<b>Corresponding section of I.T. Act, 2025</b>	<b>47(1)(a)</b>
<b>Corresponding Rule of I.T. Rules, 1962</b>	<b>6AAD</b>	<b>Corresponding Rule of I.T. Rules, 2026</b>	<b>37</b>

#### 1. What is Form 20?

**Ans:** Form 20 is an Income-tax form used by an assessee to apply for approval of an agricultural extension project under Section 47(1)(a) of the Income-tax Act, 2025, in accordance with Rule 37.

#### 2. What is the purpose of Form 20?

**Ans:** The primary purpose of filing Form 20 is to:

- Seek approval of an agricultural extension project.
- Enable tax benefits associated with approved agricultural extension projects under Section 47(1)(a).
- Ensure compliance with prescribed conditions relating to training, education, and guidance of farmers.
- Provide structured disclosure of project details, expenditure, and prior approvals.

#### 3. Who needs to file Form 20?

**Ans:** Any assessee (company, firm, proprietary concern, co-operative, society, trust etc.) undertaking an agricultural extension project and seeking approval under Section 47(1)(a) of the Income-tax Act, 2025 must file this form.

#### 4. When should Form 20 be filed?

**Ans:** Form 20 must be filed before undertaking the agricultural extension project, as prescribed under Rule 37, to seek notification under Section 47(1)(a).

#### 5. What are the documents required for filing Form 20?

**Ans:**

- Approval letter from the Ministry of Agriculture and Farmers Welfare, Government of India.
- Detailed project note describing objectives, implementation stages, expected results, and usefulness.
- Details of capital and revenue expenditure expected to be incurred.
- Copy of Memorandum and Articles of Association, if applicable.

- Audited annual accounts for the last three Tax Years.
- Details of previous agricultural extension projects, if any.
- Copy of earlier notifications or revocation orders, if applicable.

#### **6. What is the process flow of filing Form 20?**

**Ans:**

- Log in to the e-Filing Portal: Access the Income-tax e-Filing portal using PAN and password.
- Navigate to the Forms Section: Go to the “e-File” menu and select “Income Tax Forms”.
- Select Form 20: Choose Form 20 and select the relevant Tax Year.
- Fill the Form: Provide all required details, including:
  - Applicant name, PAN, address, and incorporation details.
  - Project details and expected completion timeline.
  - Beneficiary details and proposed charges.
  - Tax compliance history for the last three Tax Years.
  - Annexures and supporting documentation.
- Submit Electronically: The Form is submitted online.
- Verify the Form: The Form must be verified using Digital Signature Certificate (DSC) or Electronic Verification Code (EVC).

#### **7. Can Form 20 be filed offline?**

**Ans:** No. Form 20 can only be submitted online through the Income-tax e-Filing portal.

#### **8. Can Form FN 20 be revised or withdrawn?**

**Ans:** No. Once Form 20 is validly filed, it cannot be revised or withdrawn.

#### **9. What is the frequency for filing Form 20?**

**Ans:** Form 20 is an application form and is generally filed once per agricultural extension project or when renewal is sought.

#### **10. Which agricultural extension projects are eligible for approval?**

**Ans:** A project is eligible if:

- It is undertaken for training, education, and guidance of farmers.
- It has prior approval from the Ministry of Agriculture and Farmers Welfare.
- Expected expenditure (excluding land/building) exceeds ₹25 lakh.
- It complies with Rule 37 of the Income-tax Rules, 2025.

#### **11. What details of previous Tax Years must be provided?**

**Ans:** Applicants must provide details of:

- Return of Income filed for the last three Tax Years.
- Penalties levied, if any.

- Outstanding tax demands, if any.
- Past or ongoing agricultural extension projects.

**12. What annexures are required with Form 20?**

**Ans:** Annexures include:

- Latest notification copies (if previously notified).
- Copy of revocation orders, if applicable.
- Approval letter from the Ministry of Agriculture.
- Detailed project report and expenditure projections.
- Audited annual accounts for the last three Tax Years.

**13. Is any information in Form 20 pre-filled?**

**Ans:** Yes. Certain fields may be auto-populated based on Income-tax Department records. Applicants must verify before submission.

**14. How is Form 20 verified and submitted?**

**Ans:** Form 20 is submitted electronically and verified using:

- Digital Signature Certificate (DSC), or
- Electronic Verification Code (EVC)

**15. When are UDIN and FRN applicable in relation to Form 20?**

**Ans:**

- **UDIN (Unique Document Identification Number):** Where a Chartered Accountant certifies or audits supporting records, a UDIN must be generated from the ICAI portal and quoted.
- **FRN (Firm Registration Number):** If certification is issued by an audit firm, the Firm Registration Number (FRN) must be disclosed.
- **DSC (Digital Signature Certificate):** A valid DSC of the authorized signatory is required where digital signing mode is selected.

**16. What happens if Form 20 is incomplete or contains defects?**

**Ans:** If any defect is found:

- The applicant will be intimated to rectify the defect.
- The defect must be removed within one month.
- Failure to rectify may result in the application being treated as invalid.

**17. What happens after Form 20 is successfully filed?**

**Ans:** If the application is complete:

- CBDT may issue a notification approving the project.
- The notification will be published in the Official Gazette.
- Approval may be granted for a period not exceeding three Tax Years.

**18. What are common errors to avoid while filing Form 20?**

**Ans:**

- Incomplete annexures.
- Mismatch in expenditure projections.
- Incorrect Tax Year reporting.
- Failure to attach Ministry approval.
- Incorrect DSC or verification details.

**19. What is the objective of Form 20 under the Income-tax Act, 2025?**

**Ans:** Form 20 ensures:

- Standardized approval of agricultural extension projects.
- Transparent reporting of project objectives and expenditure.
- Efficient monitoring and compliance under Section 47(1)(a).
- Digitized governance and accountability under the Income-tax Act, 2025.