



PROPOSED AMENDMENTS

KARNATAKA STATE TAX PRACTITIONERS INSTITUTE
MEMORANDUM OF ASSOCIATION

1. **NAME** : **KARNATAKA STATE TAX PRACTITIONERS INSTITUTE**
2. **LOCATION** : **Regd. Off: "Nirmala Nilaya" No. 3043, 15th
Cross, BSK II Stage, **BENGALURU-560070****

**Admn Off: No. 2, 3rd Floor, 'C' Block,
Revankar Complex, Court Circle, **HUBBALLI.****
3. **REGD & ADM. OFFICE TIMINGS** : **10.00 AM TO 4.00 PM.**
4. **JURISDICTION** : **THE STATE OF KARNATAKA.**
5. **AIMS & OBJECTS** :
 1. To provide facilities for work and maintain professional standards for the Members of the Taxation Profession.
 2. To establish and maintain libraries, rest rooms and other place for work.
 3. To safeguard and promote the interest of the taxation profession.
 4. To watch and assist in the progress of legislation at the Central and in the State of Karnataka.
 5. To make proper representation to the State and Central Governments and to the Income Tax and Commercial Tax Departments, in particular, and to the other departments.
 6. To cause legislation under Central or State Taxation Acts, particularly Tax Laws and to pursue and to get accorded due status and recognition to such Tax Professionals and cause their registration.
 7. To Establish Training Centre/ Centers and/or Institute/Institutes for the members to improve the professional standards and to train the members regarding the changes in tax laws and new tax laws.
 8. To conduct class room discussions, seminars, literacy programs and such other activities from which the tax practitioners knowledge make up to date in the tax laws matter. For improved network, the State is estranged into 5 Zones and 10 divisions to make good to the practitioners to become the resourceful persons.
 9. The Income of the Institute by whatever means shall be utilized for the Objects of the Institute and shall not be distributed amongst the members or to any one in any manner.

KARNATAKA STATE TAX PRACTITIONERS INSTITUTE

RULES & REGULATIONS

1. DESIGNATION:

The Institute shall be designated as **KARNATAKA STATE TAX PRACTITIONERS INSTITUTE**

2. ADDRESS :

REGD. OFF: "Nirmala Nilaya" # 3043, 15th Cross, BSK II Stage, **BENGALURU - 560070.**

ADMN OFF: # 2, 3rd Floor, 'C' Block, Revankar Complex, Court Circle, **HUBBALLI.**

3. MEMBERSHIP:

- (a) The Membership of the Institute shall be open to every person who is practicing under any of the Direct and Indirect Tax Laws and any other Laws connected to taxation as a practitioner in the State of Karnataka irrespective of Caste, Creed and/or Sex, who agree with the aims & objects of the Institute is/are eligible for the membership of the Institute.
- (b) Application for membership shall be acknowledged by the Secretary of the Institute & will be placed before Executive committee for the approval. The Executive committee shall have the absolute right to refuse the membership, by providing the reasonable opportunity of being heard may be rejected.
- (c) Institutional Members: Any Institution/s or Association/s can be admitted as associated member/s subject to the conditions.

All applications for membership shall be through respective District President / Secretary.

SUBSCRIPTION:

- (a) Enrolment fee for each **Member** shall be at **Rs. 1,500/-** which shall be payable at the time of admission as member. This membership/subscription fess shall be reviewed from time to time.
- (b) Members seeking **life time membership** shall pay an entrance fee of **Rs. 500/-** and onetime payment of **Rs. 5,000/-**. Subscription may vary from time to time on approval of members in the meeting.
- (c) **Institutional member** shall pay a sum of **Rs. 10,000 /-** as Membership/ Subscription fee.
Other than the life member/s, all other member/s shall have to pay a sum of Rs. 500/- towards renewal of membership fees for each year in the month of April of the each financial year.

4. DISQUALIFICATION OF MEMBERSHIP:

The membership of the institute shall be ceased to be a member, on the following circumstances/grounds: viz.

- a) Who has become an insolvent; or
- b) Who has been convicted of an offence connected with any tax law/s proceeding/s; or
- c) If he/she is found guilty of misconduct in the professional capacity.
- d) If the member convicted in Criminal Procedure code.



5. **OFFICIAL YEAR:**

The official year of the Institute shall be the Financial Year, i.e., First April to Thirty First March.

6. **MANAGING COMMITTEE:**

The managing committee of the Institute shall consist of not be less than 48 and shall not exceed 60 members at present. The Office bearers of the Institute shall be elected among the managing committee members in the General Body Meeting. All the District President or Secretary shall be the Ex-Officio Executive Committee members. The immediate past president and immediate past general secretary of the State Institute shall be ex-officio executive committee members and the ex-officio members and the Executive Committee shall have the powers to nominate and to co-opt the members in additions to the limit of 60 fixed above. **At least one representation from each District is compulsory out of 60 Managing Committee members.**

7. **EXECUTIVE COMMITTEE OR OFFICER BEARERS OF THE INSTITUTE:**

The **EXECUTIVE COMMITTEE OR OFFICER BEARERS** are to be elected in the ANNUAL General Meeting among the members of the Managing Committee members for the following designated posts.

President	01 (One Post)
Vice - President	05 (Five Posts)
General Secretary	01 (One Post)
Chief Convener	01 (One Post)
Joint Secretary	01 (One Post)
Treasurer	01 (One Post)

The immediate past president and the immediate past General Secretary of the State Institute shall be ex-officio executive committee members till the next term. Other than this all District President or Secretary or any other authorized person by the District President shall form executive committee, and they shall be ex - officio members of Executive Committee.

The Quorum for the Executive Committee meeting shall be One-third of the members of the Managing Committee present in the meeting.

8. **QUALIFICATION FOR POST OF THE EXECUTIVE COMMITTEE OR OFFICE BEARERS:**

- (a) A Member willing to contest for the election to the Executive Committee shall be in practice for the last Five years as on the close of the immediately preceding calendar year, and being a member of the institute for 5 completed years on the date of contesting the election and/or being a practitioner regularly attained the age of 50 years and he should not be disqualified as per clause 4 above, should on the date of filing of the nomination paper be eligible for contesting election for the post of President, Vice - President, General Secretary, Joint Secretary, Treasurer and Chief Convener.

Above 65 years of aged member/s are not eligible for office bearers but they will act as Senior Executive Committee Members only.



(b) METHOD OF ELECTION:

The election procedure and shall be in accordance with the Election Rules and Regulations made from time to time by the Institute as per the Karnataka Societies Registration Act 1960 (Karnataka Act No.17 of 1960)

(c) TIME OF ELECTION:

The elections of the Executive Committee Members shall be held in the Calendar Month of May and before 31st May of every Three year. However if any unforeseen reason/s the same shall conducted soon thereafter but within the next Calendar month of June i.e., before 30th of June Month.

(d) No member shall contest for more than one post. He / she may file his/her nomination papers for more than one seat but shall withdraw from all other post/s but one seat before the time expires, fixed for withdrawal. In the event of his failing to do so, all his nomination papers shall be deemed to have been withdrawn. Further the ex - officio members can hold two posts.

(e) VOTING RIGHTS:

Every member shall have one vote. PROVIDED, however, that a member shall not be entitle to cast his/her vote in any meeting or in the elections or on the date of meeting or election, as the case may be, he / she is/are having any arrears in respect of subscription or any other dues relating to the Institute for one month or more, after the same have been notified to be due and payable or if he/she has been enrolled within a period of six calendar months prior to the said date of the meeting or election.

(f) The Executive Committee shall hold the office until the next general election is due and the new Executive Committee members are announced or notified by the Election Officer.

9. VACANCIES IN THE EXECUTIVE COMMITTEE:

(A) Vacancies may remain in the Executive Committee at any time and in the event of such vacancy/vacancies caused for the reasons mentioned in clause B to this rule shall be filled in by nominating and co-opting by the Executive Committee and such person/persons who have got nominated and co-opted at the Executive Committee Meeting shall hold the office till the end of the term:

(B) The office of an Officer - Bearer or member of the Executive Committee shall fall vacant:

(a) If he / she dies; or

(b) If he / she voluntarily resigns from the Executive Committee and the resignation has been accepted by the Committee soon after; or

(c) If he / she fails to attend four consecutive meetings of the Executive Committee without sufficient reasons; or

(d) If he / she ceases to be a member of the Institute; or

(e) If he / she has been censured by the General Body of the members.

(f) By any amendment of/to the bylaw/s of the Institute.



10. ANNUAL & GENERAL MEETING:

The Annual General Meeting will be held once in a year before 31st MAY and if necessary, the extra ordinary General Meeting will be called for, as and when the necessity arises. The Annual General Meeting shall be held within **two** months from the end of the financial year i.e., before 31st of May month only, and shall be postponed only in any extraordinary circumstances by the Executive Committee by 1/3 rd vote, but not more than **one** month.

11. EXECUTIVE MEETING:

The Executive Committee shall meet at least **SIX times in a Financial year**, and the Executive Meeting shall also be called whenever necessary and deems and fit and proper.

12. BANK ACCOUNTS:

The bank accounts shall be opened in the name of the Institute in any scheduled bank/s only and shall be operated by the joint signature of the **President** along with the signature of the **Treasurer** or the **General Secretary**.

13. OTHERS PROVISIONS:

The Executive Committee shall have power to frame by - laws whenever necessary for the benefit and development of the institute from time to time which are not inconsistent with the Rules and Regulations of the Institute AND SUCH RULES AND REGULATIONS SHALL BE TREATED AS PART OF THE BY - LAWS., subject to approval in the Annual General Meeting.

The Executive Committee shall have the powers to appoint sub - committee for any special purpose and the chairman of such sub - committee shall ordinarily be appointed among the members of the Executive Committee only.

The Executive Committee shall have the powers to purchase the property/ properties and/or securities, to invest the funds of the institute, to open an account with the schedule bank/s and to authorize the nature of operation.

The Executive Committee may at any time remove the membership of a member by a majority of two - thirds of its members of the Executive Committee present and voting at the meeting considered. Provided offending member should be given a previous notice of such action, providing an opportunity of being heard to explain his/her defense against such action.

Any Vacancies, among the elected members of the Executive Committee occurring during the year shall be filled by the nomination process for the balance term of unexpired period.

14. TERM OF THE EXECUTIVE COMMITTEE:

The said Executive Committee and the office bearers will continue to remain in the office for a period of 3 years. Election to the Executive Committee shall be conducted once in Three years.



15. DUTIES OF THE OFFICE BEARERS:

President or in his absence any one of the **Vice - President** shall chair all the meetings of the association & Executive Committee. In absence of the both, members present, shall elect chairman for the meeting. The chairman shall conduct meetings according to the general rules governing the meetings and shall have the powers to give ruling which shall be binding on all.

General Secretary shall be responsible for arrangement of meetings of the Institute in efficient manner & shall perform such duties prescribed by the Executive Committee from time to time.

- a) The General Secretary shall keep correct minutes and records of the proceedings of the various meetings of the Institute and issue notices and convene the meetings whenever necessary in consultation with the president and exercise general supervision over the affairs of all meetings.
- b) He shall be the Chief Executive Officer of the Institute and the Executive Committee and shall carry on correspondence and transact all business on behalf of the Association.
- c) He shall have power to appoint and dismiss servants, to sanction the periodical increments to their salaries and decide all other matters concerning their leave, promotion etc., subject to general control of the president and with the approval of the Executive Committee.
- d) He shall be the custodian of all the records of the Institute.

Joint Secretary shall assist Gen Secretary in performing the duties prescribed by the Executive Committee and also look after the correspondence & coordination work of the association as well as work under the instruction of Gen. Secretary in performing duties of the Executive Committee. In absence of the General Secretary the Joint Secretary will perform his role.

Treasurer shall collect the membership fees, dues, donations & manage funds of the Institute as per the instruction of Executive Committee & also keep books of accounts & records of the Institute. He / She will also prepare final statement of accounts to be presented before the annual general meeting of the Institute. He / She will also perform such other duties as prescribed by the Executive Committee.

- a) The Treasurer shall exercise control over the funds of the Institute and shall be responsible for the proper investment and safe custody of the securities and funds of the Institute. He shall have the power to operate the bank accounts and deposits of the Institute, jointly with president or the general secretary.
- b) He shall responsible for all the collections and fees from members and shall deposit immediately in to the bank.
- c) The proper accounts shall be maintained by the Treasurer. He shall prepare the Statement of Income & Expenditure account and the Balance Sheet and get it audited, and same is to be presented to the General body Meeting.

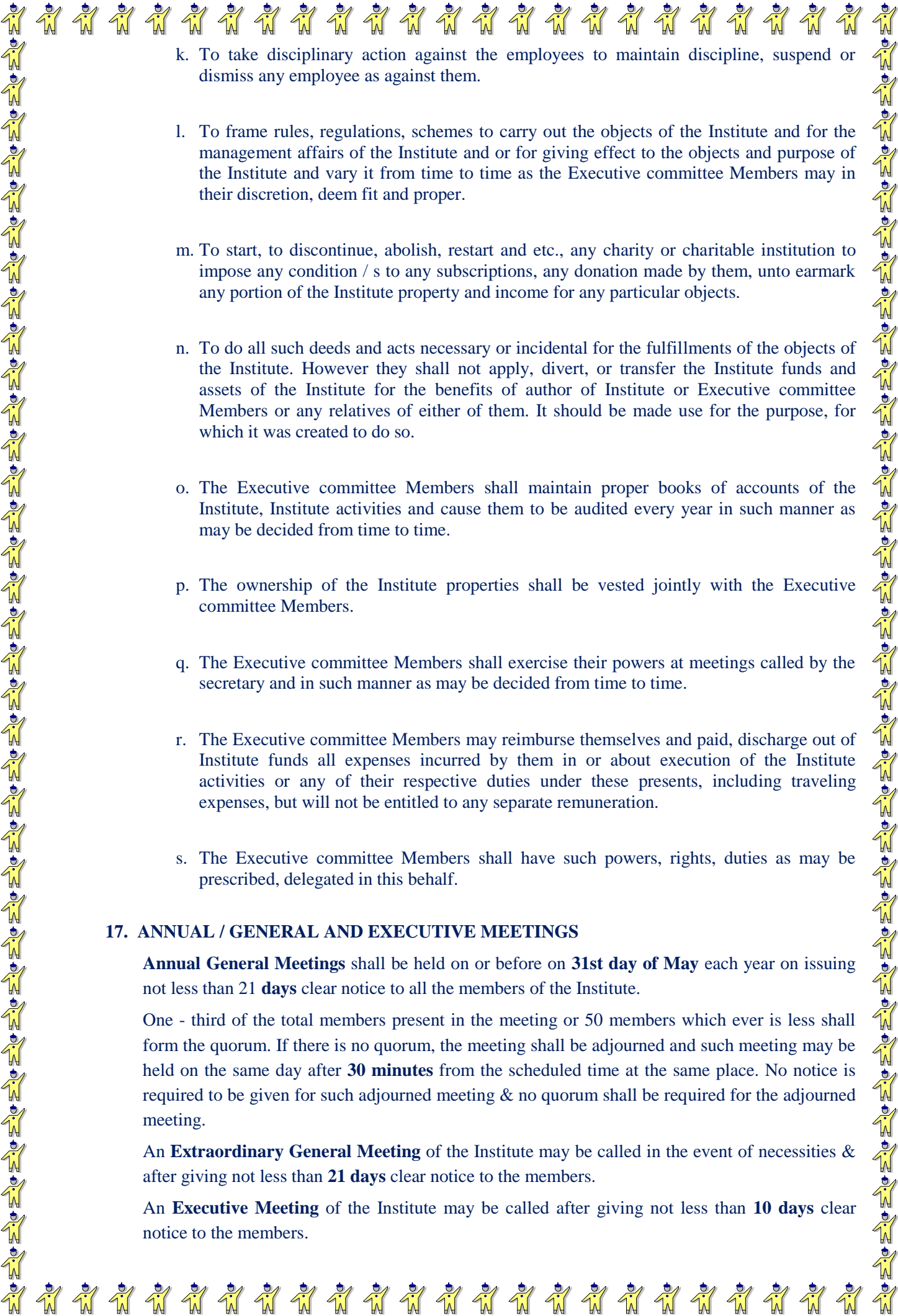
Chief Convener shall be liable to discharge the following duties in his tenure.

- a) To prepare charts of the programmed project, the functions of the Institute, and to work under the general guidance of the Executive Committee.
- b) He is also a spokes person and planning committee chairman of the Institute.



16 POWERS, RIGHTS & DUTIES OF EXECUTIVE COMMITTEE OR OFFICE BEARERS:

1. The Executive committee Members in Institute elect office bearers as per clause 7 of the bylaws of the Institute. In the event of any special programmed /project the Executive committee Members themselves, form a subcommittee to suit their project till the completion of the project to discharge their obligation and report to the Institute.
2. The management of the Institute shall be under the control and supervision of the Executive committee Members who shall have all powers, rights, liabilities and authorities expressed or implied, necessary or identical to or consistent with effective implementation of the objects of the Institute.
3. Without prejudice to the above the Executive committee Members shall have the powers, rights and duties as follows.
 - a. To acquire, hold, invest all or part of the assets of the Institute in movable or immovable properties and decide generally on all matters relating to arising there from.
 - b. To receive donations from public at large, if required, for the purpose of carrying out the activities of the Institute.
 - c. To determine, sanction, and /or allot the recurring or non-recurring capital and /or revenue expenditures of the Institute, created owned or managed under this Institute.
 - d. To open and/or operate the accounts of the Institute in any nationalized bank/s as the Executive committee Members may decide from time to time and also decide the person/s to operate the accounts of the Institute.
 - e. To invest the Institute funds in accordance with the decision of the Executive committee Members in any nationalized bank/s or in State or Central Government Bonds from time to time.
 - f. To change or alter the investments from one form into another form as may be decided by the Executive committee Members from time to time.
 - g. To raise the funds by subscriptions, donations, loans or other amounts for carrying out the objects setout herein.
 - h. To improve, manage, develop, lease or otherwise deal with the Institute properties, in such manner as may be decided by the Executive committee Members from time to time.
 - i. To institute, defend, prosecute, compromise any Institute suit/s application/s dispute/s either any court of law or otherwise.
 - j. To appoint secretaries, managers, lawyers, solicitors, Auditors, Clerical staff, and or other employees for the purpose of the managements and supervision of the Institute estate, collection of rents, effects and profits, etc. and for keeping accounts records, documents and for other purpose of the Institute.

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- k. To take disciplinary action against the employees to maintain discipline, suspend or dismiss any employee as against them.
 - l. To frame rules, regulations, schemes to carry out the objects of the Institute and for the management affairs of the Institute and or for giving effect to the objects and purpose of the Institute and vary it from time to time as the Executive committee Members may in their discretion, deem fit and proper.
 - m. To start, to discontinue, abolish, restart and etc., any charity or charitable institution to impose any condition / s to any subscriptions, any donation made by them, unto earmark any portion of the Institute property and income for any particular objects.
 - n. To do all such deeds and acts necessary or incidental for the fulfillments of the objects of the Institute. However they shall not apply, divert, or transfer the Institute funds and assets of the Institute for the benefits of author of Institute or Executive committee Members or any relatives of either of them. It should be made use for the purpose, for which it was created to do so.
 - o. The Executive committee Members shall maintain proper books of accounts of the Institute, Institute activities and cause them to be audited every year in such manner as may be decided from time to time.
 - p. The ownership of the Institute properties shall be vested jointly with the Executive committee Members.
 - q. The Executive committee Members shall exercise their powers at meetings called by the secretary and in such manner as may be decided from time to time.
 - r. The Executive committee Members may reimburse themselves and paid, discharge out of Institute funds all expenses incurred by them in or about execution of the Institute activities or any of their respective duties under these presents, including traveling expenses, but will not be entitled to any separate remuneration.
 - s. The Executive committee Members shall have such powers, rights, duties as may be prescribed, delegated in this behalf.

17. ANNUAL / GENERAL AND EXECUTIVE MEETINGS

Annual General Meetings shall be held on or before on **31st day of May** each year on issuing not less than **21 days** clear notice to all the members of the Institute.

One - third of the total members present in the meeting or 50 members which ever is less shall form the quorum. If there is no quorum, the meeting shall be adjourned and such meeting may be held on the same day after **30 minutes** from the scheduled time at the same place. No notice is required to be given for such adjourned meeting & no quorum shall be required for the adjourned meeting.

An **Extraordinary General Meeting** of the Institute may be called in the event of necessities & after giving not less than **21 days** clear notice to the members.

An **Executive Meeting** of the Institute may be called after giving not less than **10 days** clear notice to the members.



Following business shall be transacted by the Annual General Meeting

[a] Annual Report

[b] Presentation of Accounts of the Institute

[c] Election to members of the Executive Committee (if time lapsed)

Every question shall be decided by majority of votes. Every member shall have one vote, but in case of equality of votes, the chairman of the meeting shall cast his / her vote to decide the issue.

- a) The Executive Committee shall ordinarily meet once in 2 months and same shall be convened by the General Secretary, provided always that the President may also call such meeting whenever he deems it necessary to do so provided also that in each such case 10 days previous notice for such meeting has been given.
- b) The Executive Committee shall have power to nominate and office bearer in the event of any casual vacancy arising on account of demise or resignation or any other act on the part of any office bearer. In case of Executive Committee members, the vacancy will be filled in by other representative from the same District.
- c) The Executive Committee shall generally do all acts necessary for the efficient management and improvement of the Institute.

On the written requisition of at least **50** members of the State Institute addressed to the President, and the President shall within 21 days on receipt thereof, convene a special general body meeting.

18. ALTERATION AND AMENDMENT TO THE CONSTITUTION

The Rules & Regulation of the Institute may be altered at an Annual General Meeting or, at an Extraordinary General Meeting of the Institute duly convened for the purpose, but such alteration shall be made by two - third majority of the members of the Institute present and voting at the meeting. Resolution passed in the meeting for such alteration, additions, substitution or deletions shall be effective prospectively, as if they are embodied herein. Subject to, acceptance of the same, by the Registrar of societies.

20. RAISING LOANS, ADVANCES, AND DONATIONS:

- a) The Institute can have immovable properties. The Institute can accept donation in cash or kind from members and others. The Institute can also borrow the funds required from public/ Financial Institutions / Government. Such loan or donation received in excess of Rs.10,000/- shall be only through bank cheque/Demand draft/NEFT/RTGS in the name of the Institute.
- b) The Institute can enroll with any Insurance Company for Group insurance of their members by contributing to the Scheme Similarly the Institute can also enroll itself for medical assistance / benefit with any institute dealing with it.

19. AFFILIATED ORGANISATION: Any Institute of the Tax practitioners having members of respective states in India having similar aims & objects may seek affiliation to this Institute on furnishing forms & fees prescribed by Executive Committee of this Institute. Like wise the Institute can take Institute Membership of any professional organization of similar objects.

21. CLAUSES UNDER INCOME TAX ACT 1961:

- a) The funds of the Institute shall be invested in the mode specified under the provision of section 13(1) (d) read with section 119 (5) of the Income Tax Act 1961, as amended from time to time.
- b) All the investments shall be made in the name of the Institute only and not in any personal name of any member.
- c) No amendments to the bylaws of the Institute shall be made which may prove to repugnant to the provisions of section 10, 11, 12, 13 and 80G of the Income Tax Act 1961 as amended from time to time. Further no amendment shall be made to the Memorandum or Rules and Regulations without the prior approval of the Commissioner of Income Tax.
- d) In the event of Dissolution or Winding up of the Institute, the assets remaining as on the date of dissolution shall under no circumstances, be distributed among the members of the Managing Committee or any member, but the same shall be transferred to another Institute or Charitable Institute, whose objects are similar to those of this Institute and which enjoys recognition under section 80G of the Income Tax Act 1961 as amended from time to time.
- e) The benefits of the Institute shall be as mentioned earlier be open to all irrespective of caste, creed or religion.
- f) The funds and income of the Institute shall be solely utilized for the achievement of its objects and no portion of it shall be utilized for payments to the members or managing committee members by way of profit, interest or dividends etc.,
- g) Amendments to the Rules and Regulations shall be done as per section 9 and 10 and amalgamation of the Institute with another will be subject to the provisions of the section 21, 22 and 23 of the Karnataka Societies Registration Act 1960 only.
- h) All decision taken in accordance with the above byelaws by the Institute in any matter, relating to the Institute or member shall be final and conclusively binding on the Institute and the members and the same shall be subject to proceedings in a court of Law.
- i) No amendments to or a alternations in this bylaw or enactment shall be made without the prior approval of the General Body of the Institute and coincident with the coming into force and effect of this byelaw accepted and approved by these under and as annexed hereto in so far as provided for in the bylaws.
- j) All the provisions of the Karnataka Societies Registration Act 1960 will be applicable.

22. DISSOLUTION: If upon the dissolution of the Institute there shall remain after the satisfaction all its debts & liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Institute or any of them, but shall be assigned to some other Institute or society having similar objects to those of the Institute.

Accepted and approved the above bylaws.

KARNATAKA STATE TAX PRACTITIONERS INSTITUTE

Sd/-
Secretary

Sd / -
President