



Application for Exemption from Income Tax and Section 18A Approval (EI1)

South African Revenue Service

Applicant Details - Company / Trust / Partnership and Other Entities

COMIF01

Nature Of Entity ▼ ▲

Company / CC / Trust Reg No.

Main Industry Classification Code

Registration Date (CCYY/MM/DD)

Financial Year End (MM)

Registered Name

Master's Office of Trust Registration ▼

Trading Name

NPO Number
(if applicable)

Are you a Public School? Y N

Are you a Registered Independent School? Y N

If yes, please provide the EMIS number:

Education Management Information System - Department of Basic Education (EMIS)

EXAMPLE

Applicable Section of the Income Tax Act

TEI Reference Number: XXXXXXXXXXXXXXXX

EI Status: XXXXXXXXX0XXXXXXXX0XXXXXXXX0XXXXXXXX0XXXXX

s18A Status: XXXXXXXXX0XXXXXXXX0XXXXXXXX0XXXXXXXX0XXXXX

Withdrawal date (CCYY/MM/DD)



Marked for Withdrawal (EI)

Withdrawal date (CCYY/MM/DD)



Marked for Withdrawal (s18A)

Select the relevant section of the Act.

Section of the Act

Description

Section 10(1)(cA)(i)

Institution, Board or Body established by or under any law

Act Name

Section 10(1)(cA)(ii)

Companies Wholly Owned by one or more Institutions, Boards or Bodies established by or under any law

Number of Institutions, Boards or Bodies holding shares in the company

Name of the Institution, Board or Body holding shares

Exemption reference number

Percentage of shares held

 %

Section 10(1)(cN)

Public Benefit Organisation approved under section 30 carrying on one or more public benefit activities listed in Part I of the Ninth Schedule

Request for retrospective approval Y N

Date from which approval is requested (Subject to limitations as per the Act) (YYMMDD)



Section 10(1)(cO)

Recreational Club providing social and recreational amenities or facilities for its members approved under section 30A

Request for retrospective approval Y N

Date from which approval is requested (Subject to limitations as per the Act) (CCYYMMDD)



Section 10(1)(cQ)

Small Business Funding Entity approved under section 30C providing funding for small, medium and micro-sized enterprises

Section 10(1)(d)(iii)

Other membership associations approved under section 30B

Section 10(1)(d)(iv)(bb)

Company, Society or Other Association of Persons established to promote the common interests of their members carrying on a particular kind of business, profession or occupation approved under section 30B

Section 10(1)(e)(i)(cc)

Association of Persons formed solely for managing the collective interests common to all its members in respect of common immovable property

Section 18A(1)(a)(i)

Public Benefit Organisation approved under section 30 carrying on one or more public benefit activity listed in Part II of the Ninth Schedule

Section 18A(1)(a)(ii)

Institution, Board or Body contemplated in section 10(1)(cA)(i) carrying on one or more public benefit activity listed in Part II of the Ninth Schedule

Section 18A(1)(b)

Public Benefit Organisation approved under section 30 providing funds or assets to any Public Benefit Organisation approved under section 18A(1)(a)(i), any institution, board or body approved under section 18A(1)(a)(ii), or any Department of Government in the Republic in the national, provincial or local sphere approved under section 18A(1)(c)

Section 18A(1)(bA)

United Nation Entity carrying on in South Africa any public benefit activity listed in Part II of the Ninth Schedule

Section 18A(1)(c)

Any Department of Government of the Republic in the national, provincial, or local sphere contemplated in section 10(1)(a) which will use donations for purpose of any public benefit activity listed in Part II of the Ninth Schedule

EXAMPLE

Entities Applying for Exemption from Income Tax

General

Is your organisation familiar with the FATF recommendations on Money Laundering and Terror Financing i.e. FATF Recommendation 8 and Immediate Outcome 10 on NPOs and Money Laundering/Terror Financing? Y N

Does your organisation operate outside of South Africa's borders? Y N

If yes, please provide the list of A-Z countries ▼

Does the organisation receive funding from outside of South Africa's borders? Y N

If yes, please provide the list of A-Z countries ▼

Does the organisation send funding outside of South Africa's borders? Y N

If yes, please provide the list of A-Z countries ▼

Non-profit Organisation Registration

Are you a non-profit organisation registered with the NPO Directorate of the Department of Social Development? Y N

NPO Number
(if applicable)

Does your organisation conduct or intend to conduct any of the following activities?

Make donations to individuals or organisations outside of South Africa's borders Y N

Provide humanitarian services outside of South Africa's borders Y N

Provide charitable services outside of South Africa's borders Y N

Provide religious services outside of South Africa's borders Y N

Provide educational services outside of South Africa's borders Y N

Provide cultural services outside of South Africa's borders Y N

Persons Acting in a Fiduciary Capacity

How many fiduciary responsible persons i.e. Office Bearers (other than the representative taxpayer / public officer) does your organisation have? ▼

Has any fiduciary responsible person or representative taxpayer / public officer of your organisation been disqualified on any grounds, including but not limited to, insolvency, delinquency, misconduct involving dishonesty, theft, fraud, forgery, perjury or any other offence, and the disqualification has not ended as per the provisions of the following legislation?

Section 6 of the Trust Property Control Act; Y N

Section 25A of the NPO Act; or Y N

Section 69 of the Companies Act. Y N

Particulars of unconnected persons accepting fiduciary responsibility

Unconnected person

Surname	<input type="text"/>	First two Names	<input type="text"/>	Initials	<input type="text"/>
Home Tel No.	<input type="text"/>	ID No.	<input type="text"/>	Date of Birth (CCYYMMDD)	<input type="text"/>
Bus Tel No.	<input type="text"/>	Passport / Permit No.	<input type="text"/>	Taxpayer Ref No.	<input type="text"/>
Cell No.	<input type="text"/>			Passport Country (e.g. South Africa = ZAF)	<input type="text"/>
Fax No.	<input type="text"/>	Position held within organisation	<input type="text"/>		
Email	<input type="text"/>				

Physical Address Details

Unit No.	<input type="text"/>	Complex (if applicable)	<input type="text"/>
Street No.	<input type="text"/>	Street / Farm Name	<input type="text"/>
Suburb / District	<input type="text"/>		
City / Town	<input type="text"/>		
Country Code (e.g. South Africa = ZA)	<input type="text"/>	Postal Code	<input type="text"/>

EXAMPLE

Postal Address Details

Mark here with an "X" if same as above or complete your Postal Address

Is your Postal Address a Street Address?

Y N

Mark here with an "X" if this is a Care Of address

Postal Agency or Other Sub-unit (if applicable) (e.g. Postnet Suite ID)

PO Box Private Bag Other PO Special Service (specify)

Number

Post Office

Postal Code

Country Code (e.g. South Africa = ZA)

Unit No.

Complex (if applicable)

Street No.

Street / Farm Name

Suburb / District

City/Town

Country

Postal Code

Postal Address Structure

EXAMPLE

^

Public benefit activities for purposes of section 30 listed in Part I of the Ninth Schedule to the Income Tax Act

Please select your Primary Public Benefit Activity from this list

Please select your Additional Public Benefit Activity / Activities from this list

Select one or more of the following public benefit activities which are the sole or principal object of the organisation

1. Welfare and Humanitarian

- (a) The care or counseling of, or the provision of education programmes relating to, abandoned, abused, neglected, orphaned or homeless children.
- (b) The care or counseling of poor and needy persons where more than 90 per cent of those persons to whom the care or counseling are provided are over the age of 60.
- (c) The care or counseling of, or the provision of education programmes relating to, physically or mentally abused and traumatized persons.
- (d) The provision of disaster relief.
- (e) The rescue or care of persons in distress.
- (f) The provision of poverty relief.
- (g) Rehabilitative care or counseling or education of prisoners, former prisoners and convicted offenders and persons awaiting trial.
- (h) The rehabilitation, care or counseling of persons addicted to a dependence-forming substance or the provision of preventative or education programmes regarding addiction to dependence-forming substances.
- (i) Conflict resolution, the promotion of reconciliation, mutual respect and tolerance between the various peoples of South Africa.
- (j) The promotion or advocacy of human rights and democracy.
- (k) The protection of the safety of the general public.
- (l) The promotion or protection of family stability.
- (m) The provision of legal services for poor and needy persons.
- (n) The provision of facilities for the protection and care of children under school-going age of poor and needy parents.
- (o) The promotion or protection of the rights and interests of, and the care of, asylum seekers and refugees.
- (p) Community development for poor and needy persons and anti-poverty initiatives, including —
 - (i) the promotion of community-based projects relating to self-help, empowerment, capacity building, skills development or anti-poverty;
 - (ii) the provision of training, support or assistance to community-based projects contemplated in item (i); or
 - (iii) the provision of training, support or assistance to emerging micro enterprises to improve capacity to start and manage businesses, which may include the granting of loans on such conditions as may be prescribed by the Minister by way of regulation.
- (q) The promotion of access to media and a free press.

2. Health Care

- (a) The provision of health care services to poor and needy persons.
- (b) The care or counseling of terminally ill persons or persons with a severe physical or mental disability, and the counseling of their families in this regard.
- (c) The prevention of HIV infection, the provision of preventative and education programmes relating to HIV/AIDS.
- (d) The care, counseling or treatment of persons afflicted with HIV/AIDS, including the care or counseling of their families and dependants in this regard.
- (e) The provision of blood transfusion, organ donor or similar services.
- (f) The provision of primary health care education, sex education or family planning.

3. Land and Housing

- (a) The development, construction, upgrading, conversion or procurement of housing units for the benefit of persons whose monthly household income is equal to or less than R15 000 or any greater amount determined by the Minister of Finance by notice in the Gazette after consultation with the Minister of Housing.
- (b) The development, servicing, upgrading or procurement of stands, or the provision of building materials, for purposes of the activities contemplated in subparagraph (a).
- (c) The provision of residential care for retired persons, where —
 - (i) more than 90 per cent of the persons to whom the residential care is provided are over the age of 60 and nursing services are provided by the organisation carrying on such activity; and
 - (ii) residential care for retired persons who are poor and needy is actively provided by that organisation without full recovery of cost.
- (d) Building and equipping of —
 - (i) clinics or crèches for the benefit of the poor and needy; or
 - (ii) community centres, sport facilities or other facilities of a similar nature for the benefit of the poor and needy.
- (e) The promotion, facilitation and support of access to land and use of land, housing and infrastructural development for promoting official land reform programmes.
- (f) Granting of loans for purposes of subparagraph (a) or (b), and the provision of security or guarantees in respect of such loans, subject to such conditions as may be prescribed by the Minister by way of regulation.
- (g) The protection, enforcement or improvement of the rights of poor and needy tenants, labour tenants or occupiers, to use or occupy land or housing.
- (h) The provision of training, support or assistance to emerging farmers in order to improve capacity to start and manage agricultural operations.

EXAMPLE

4. Education and Development

- (a) The provision of education by a "school" as defined in the South African Schools Act, 1996, (Act No. 84 of 1996).
- (b) The provision of "higher education" by a "higher education institution" as defined in terms of the Higher Education Act, 1997, (Act No. 101 of 1997).
- (c) "Adult basic education as envisaged in Section 29(1)(a) of the Constitution, including literacy and numeracy education.
- (d) "Continuing education and training" provided by a "private college" as defined in the Continuing Education and Training Colleges Act, 2006 (Act No. 16 of 2006), which is registered in terms of that Act.
- (e) Training for unemployed persons with the purpose of enabling them to obtain employment.
- (f) The training or education of persons with a severe physical or mental disability.
- (g) The provision of bridging courses to enable educationally disadvantaged persons to enter a higher education institution as envisaged in subparagraph (b).
- (h) The provision of educare or early childhood development services for pre-school children.
- (i) Training of persons employed in the national, provincial and local spheres of government, for purposes of capacity building in those spheres of government.
- (j) The provision of school buildings or equipment for public schools and educational institutions engaged in public benefit activities contemplated in subparagraphs (a) to (h).
- (k) Career guidance and counseling services provided to persons attending any school or higher education institution as envisaged in subparagraphs (a) and (b).
- (l) The provision of hostel accommodation to students of a public benefit organisation contemplated in section 30 or an institution, board or body contemplated in section 10(1)(cA)(i), carrying on activities envisaged in subparagraphs (a) to (g).
- (m) Programmes addressing needs in education provision, learning, teaching, training, curriculum support, governance, school development, safety and security at schools, pre-schools or educational institutions as envisaged in subparagraphs (a) to (l).
- (n) Educational enrichment, academic support, supplementary tuition or outreach programmes for the poor and needy.
- (o) The provision of scholarships, bursaries, awards and loans for study, research and teaching on such conditions as may be prescribed by the Minister by way of regulation in the Gazette.
- (p) The provision or promotion of educational programmes with respect to financial services and products, carried out under the auspices of a public entity listed under Schedule 3A of the Public Finance Management Act, 1999 (Act No. 1 of 1999).
- (q) The provision, to the general public, of education and training programmes and courses that are administered and accredited by entities contemplated in paragraph (r).
- (r) The administration, provision and publication of qualification and certification services by industry organisations recognised by an industry specific organisation and its qualifications accredited by the Quality Council for Trades and Occupations established in 2010 in terms of the Skills Development Act, 1998 (Act No.97 of 1998).

5. Religion, Belief or Philosophy

- (a) The promotion or practice of religion which encompasses acts of worship, witness, teaching and community service based on a belief in a deity.
- (b) The promotion and/or practice of a belief.
- (c) The promotion of, or engaging in, philosophical activities.

6. Cultural

- (a) The advancement, promotion or preservation of the arts, culture or customs. ^
- (b) The promotion, establishment, protection, preservation or maintenance of areas, collections or buildings of historical or cultural interest, national monuments, national heritage sites, museums, including art galleries, archives and libraries.
- (c) The provision of youth leadership or development programmes.

7. Conservation, Environment and Animal Welfare

- (a) Engaging in the conservation, rehabilitation or protection of the natural environment, including flora, fauna or the biosphere.
- (b) The care of animals, including the rehabilitation, or prevention of the ill-treatment of animals.
- (c) The promotion of, and education and training programmes relating to, environmental awareness, greening, clean-up or sustainable development projects.
- (d) The establishment and management of a transfrontier area, involving two or more countries, which—
- (i) is or will fall under a unified or coordinated system of management without compromising national sovereignty; and
- (ii) has been established with the explicit purpose of supporting the conservation of biological diversity, job creation, free movement of animals and tourists across the international boundaries within the peace park, and the building of peace and understanding between the nations concerned.

8. Research and Consumer Rights

- (a) Research including agricultural, economic, educational, industrial, medical, political, social, scientific and technological research.
- (b) The protection and promotion of consumer rights and the improvement of control and quality with regard to products or services.

9. Sport

- The administration, development, co-ordination or promotion of sport or recreation in which the participants take part on a non-professional basis as a pastime.

10. Providing of Funds, Assets or Other Resources

The provision of—

- (a) funds, assets, services or other resources by way of donation;
- (b) assets or other resources by way of sale for a consideration not exceeding the direct cost to the organisation providing the assets or resources;
- (c) funds by way of loan at no charge; or
- (d) assets by way of lease for an annual consideration not exceeding the direct cost to the organisation providing the asset divided by the total useful life of the asset, to any -
 - (i) public benefit organisation which has been approved in terms of section 30;
 - (ii) institution, board or body contemplated in section 10(1)(cA)(i), which conducts one or more public benefit activities in this part (other than this paragraph);
 - (iii) association of persons carrying on one or more public benefit activity contemplated in this part (other than this paragraph), in the Republic; or
 - (iv) department of state or administration in the national or provincial or local sphere of government of the Republic, contemplated in section 10(1)(cA)(ii).

11. General

- (a) The provision of support services to, or promotion of the common interests of public benefit organisations contemplated in section 30 or institutions, boards or bodies contemplated in section 10(1)(cA)(i), which conduct one or more public benefit activities contemplated in this part.
- (b) The bid to host or hosting of any international event approved by the Minister for purposes of this paragraph, having regard to
 - (i) the foreign participation in that event; and
 - (ii) the economic impact that event may have on the country as a whole.
- (c) The promotion, monitoring or reporting of development assistance for the poor and needy.
- (d) The provision of funds to an organisation -
 - (i) which is incorporated, formed or established in any country other than the Republic;
 - (ii) which is exempt from tax on income in that other country;
 - (iii) the sole or principal object of which is the carrying on of one or more activities that would qualify as public benefit activities listed in Part I of this Schedule if carried on in the Republic; and
 - (iv) that carries on each of its activities -
 - (aa) in a non-profit manner;
 - (bb) with altruistic or philanthropic intent;
 - (cc) in a manner which does not directly or indirectly promote the economic self-interest of any fiduciary or employee of the organisation other than by way of reasonable remuneration; and
 - (dd) for the benefit of, or is widely accessible to the general public of that country including any sector thereof (other than small and exclusive groups).

EXAMPLE

Public benefit activities for purposes of section 18A listed in Part II of the Ninth Schedule to the Act

Select one or more of the following public benefit activities which are the sole or principal object of the organisation

1. Welfare and Humanitarian

- (a) The care or counseling of, or the provision of education programmes relating to, abandoned, abused, neglected, orphaned or homeless children.
- (b) The care or counseling of poor and needy persons where more than 90 per cent of those persons to whom the care or counseling are provided are over the age of 60.
- (c) The care or counseling of, or the provision of education programmes relating to, physically or mentally abused and traumatized persons.
- (d) The provision of disaster relief.
- (e) The rescue or care of persons in distress.
- (f) The provision of poverty relief.
- (g) Rehabilitative care or counseling or education of prisoners, former prisoners and convicted offenders and persons awaiting trial.
- (h) The rehabilitation, care or counseling of persons addicted to a dependence-forming substance or the provision of preventative and education programmes regarding addiction to dependence-forming substances.
- (i) Conflict resolution, the promotion of reconciliation, mutual respect and tolerance between the various peoples of South Africa.
- (j) The promotion or advocacy of human rights and democracy.
- (k) The protection of the safety of the general public.
- (l) The promotion or protection of family stability.
- (m) The provision of legal services for poor and needy persons.
- (n) The provision of facilities for the protection and care of children under school-going age of poor and needy parents.
- (o) The promotion or protection of the rights and interests of, and the care of, asylum seekers and refugees.
- (p) Community development for poor and needy persons and anti-poverty initiatives, including —
 - (i) the promotion of community-based projects relating to self-help, empowerment, capacity building, skills development or anti-poverty;
 - (ii) the provision of training, support or assistance to community-based projects contemplated in item (i); or
 - (iii) the provision of training, support or assistance to emerging micro enterprises to improve capacity to start and manage businesses, which may include the granting of loans on such conditions as may be prescribed by the Minister by way of regulation.
- (q) The promotion of access to media and a free press.

2. Health Care

- (a) The provision of health care services to poor and needy persons.
- (b) The care or counseling of terminally ill persons or persons with a severe physical or mental disability, and the counseling of their families in this regard.
- (c) The prevention of HIV infection, the provision of preventative and education programmes relating to HIV/AIDS.
- (d) The care, counseling or treatment of persons afflicted with HIV/AIDS, including the care or counseling of their families and dependants in this regard.
- (e) The provision of blood transfusion, organ donor or similar services.
- (f) The provision of primary health care education, sex education or family planning.

3. Education and Development

- (a) The provision of education by a "school" as defined in the South African Schools Act, 1996, (Act No. 84 of 1996).
- (b) The provision of "higher education" by a "higher education institution" as defined in terms of the Higher Education Act, 1997, (Act No. 101 of 1997).
- (c) "Adult basic education as envisaged in Section 29(1)(a) of the Constitution, including literacy and numeracy education.
- (d) "Continuing education and training" provided by a "private college" as defined in the Continuing Education and Training Colleges Act, 2006 (Act No. 16 of 2006), which is registered in terms of that Act.
- (e) Training for unemployed persons with the purpose of enabling them to obtain employment.
- (f) The training or education of persons with a severe physical or mental disability.
- (g) The provision of bridging courses to enable educationally disadvantaged persons to enter a higher education institution as envisaged in subparagraph (b).
- (h) The provision of educare or early childhood development services for pre-school children.
- (i) The provision of school buildings or equipment for public schools and educational institutions engaged in public benefit activities contemplated in subparagraphs (a) to (h).
- (j) Programmes addressing needs in education provision, learning, teaching, training, curriculum support, governance, whole school development, safety and security at schools, pre-schools or educational institutions as envisaged in subparagraphs (a) to (b).
- (k) Educational enrichment, academic support, supplementary tuition or outreach programmes for the poor and needy.
- (l) Training of persons employed in the national, provincial and local spheres of government, for purposes of capacity building in those spheres of government.
- (m) Career guidance and counseling services provided to persons attending any school or higher education institution as envisaged in subparagraphs (a) and (b).
- (n) The provision of hostel accommodation to students of a public benefit organisation contemplated in section 30 or an institution, board or body contemplated in section 10(1)(cA)(i), carrying on activities envisaged in subparagraphs (a) to (g).
- (o) The provision of scholarships, bursaries, awards and loans for study, research and teaching on such conditions as may be prescribed by the Minister by way of regulation in the Gazette.
- (p) The provision or promotion of educational programmes with respect to financial services and products, carried on under the auspices of a public entity listed under Schedule 3A of the Public Finance Management Act.

4. Conservation, Environment and Animal Welfare

- (a) Engaging in the conservation, rehabilitation or protection of the natural environment, including flora, fauna or the biosphere.
- (b) The care of animals, including the rehabilitation, or prevention of the ill-treatment of animals.
- (c) The promotion of, and education and training programmes relating to, environmental awareness, greening, clean-up or sustainable development projects.
- (d) The establishment and management of a transfrontier area, involving two or more countries, which —
 - (i) is or will fall under a unified or coordinated system of management without compromising national sovereignty; and
 - (ii) has been established with the explicit purpose of supporting the conservation of biological diversity, job creation, free movement of animals and tourists across the international boundaries of the peace park, and the building of peace and understanding between the nations concerned.

5. Land and Housing ^

- (a) The development, construction, upgrading, conversion or procurement of housing units for the benefit of persons whose monthly household income is equal to or less than R15 000.00 or any greater amount determined by the Minister of Finance by notice in the Gazette after consultation with the Minister of Housing.
- (b) The development, servicing, upgrading or procurement of stands, or the provision of building materials, for purposes of the activities contemplated in subparagraph (a).
- (c) Building and equipping of clinics or crèches for the benefit of the poor and needy.
- (d) The protection, enforcement or improvement of the rights of poor and needy tenants, labour tenants or occupiers, to use or occupy land or housing.
- (e) The promotion, facilitation and support of access to land and use of land, housing and infrastructural development for promoting official land reform programmes.

Activities and Operations +

A detailed narrative description of all the activities of the organisation must be provided. List each activity separately in the order of importance based on the relative time (indicate the percentage of time) and other resources devoted to the activity. A detailed description of the day to day activities, how each activity furthers the sole or principal object of the organisation, who will benefit from the activities, when was/will the activity be initiated, and where and by whom the activity will be conducted, must be included.

EXAMPLE

NOTE: If the space is insufficient, use a separate schedule.

Group Registration

Is this application in respect of a group registration?

Y N

If "YES", the following must be answered:

Are the individual organisations within the group supervised by a regulating or co-ordinating body that takes responsibility for group of organisations?

Y N

Do all the individual organisations within the group conduct the same approved PBA listed in the Ninth Schedule?

Y N

Do all the individual organisations within the group share a common purpose?

Y N

Are consolidated annual financial statements prepared for the group of organisations?

Y N

Declaration by Organisation

Public Benefit Organisation (Approved under Section 30 Carrying on one or more Public Benefit Activities Listed in Part I of the Ninth Schedule)

We, the persons accepting fiduciary responsibility for the public benefit organisation (PBO) hereby undertake to comply with the following requirements:

- The sole or principal object of the PBO is to carry on one or more public benefit activity (PBA), in a non-profit manner and with an altruistic or philanthropic intent.
- No PBA will directly or indirectly promote the economic self-interest of any fiduciary or employee of the PBO, otherwise than by way of reasonable remuneration payable to that fiduciary or employee.
- All PBAs carried on by the PBO will be for the benefit of, or widely accessible to, the general public at large, including any sector thereof other than small and exclusive groups.
- At least three persons who accept fiduciary responsibility for the PBO will not be connected persons in relation to each other and no single person will directly or indirectly control the decision-making powers relating to the PBO.
NOTE: This requirement is not applicable to a trust created under legal entity type testamentary trust.
- No funds will be directly or indirectly distributed to any person, otherwise than in the course of undertaking any PBA.
- All funds will be used solely for the object for which the PBO has been established.
- On dissolution the remaining assets will be transferred to any PBO, any institution, board or body which has as its sole or principal object the carrying on of any PBA, the government of the Republic in the national, provincial or local sphere, or the National Finance Housing Corporation, which are required to use those assets solely for purposes of carrying on one or more PBA listed in the Ninth Schedule.
- No donation will be accepted which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof under section 18A; Provided that a donor (other than a donor which is an approved PBO or an institution board or body, which has as its sole or principal object the carrying on of any PBA) may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.
- A copy of any amendment to the constitution, will, or other written instrument under which the PBO is established will be submitted to the Commissioner for the South African Revenue Service (SARS).
- The PBO will not knowingly be a party to, or will not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner for the SARS.
- No remuneration will be paid to any employee, office bearer, member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with the objects of the PBO.
- The PBO will comply with reporting requirements as may be determined by the Commissioner for the SARS.
- No resources will be used directly or indirectly to support, advance or oppose any political party.
- A PBO which provides funds to any association of persons contemplated in Part I of the Ninth Schedule must take reasonable steps to ensure that the funds are used for purposes for which it was provided, namely, to carry on one or more PBA listed in Part I of the Ninth Schedule, in the Republic.
A PBO conducting a combination on PBAs, some of which are non-section 18A-approved in Part I, and some of which are section 18A-approved in Part II, may be granted approval to issue section 18A receipts for donations received solely for PBAs in Part II i.e. those donations must be ring-fenced to the PBAs in Part II.
- The record-keeping of a PBO must clearly identify the donations received for PBAs in Part II and the use to which those donations were applied.
- A PBO approved under section 18A(1)(b) of the Act, will within twelve months after the end of the relevant year of assessment distribute or incur the obligation to distribution at least 50% of all funds received by way of donation during that year in respect of which receipts were issued.
- Any PBO approved under section 18A(1)(b) of the Act, that does not distribute any amount as described in paragraph 15 above, will distribute or incur the obligation to distribute all amounts received from investment assets held by it, other than amounts received from the disposals of those investment assets to any PBO, institution, board or body approved under section 18A(1)(a) of the Act, no later than six months after –
 - every five years from the date the Commissioner issued a reference number for purposes of section 18A, if that PBO is incorporated, formed or established on or after 1 March 2015; or
 - every five years from 1 March 2015, if that PBO was incorporated, formed or established and issued by the Commissioner with a reference number for purposes of section 18A before 1 March 2015.
- A conduit PBO providing funds or assets to other PBOs, institutions, boards or bodies or the government carrying on a combination of PBAs in Part I and Part II, must also ring-fence donations received to the PBAs in Part II.

I acknowledge that I have read and understood the requirements stated above

We, the persons accepting fiduciary responsibility for the funds and assets of the association, hereby undertake to comply with the following requirements:

1. The association has a committee, board of management or similar governing body consisting of at least three persons, who are not, connected persons in relation to each other, to accept the fiduciary responsibility.
2. No single person will directly or indirectly control the decision-making powers relating to the association.
3. No funds or assets will be directly or indirectly distributed to any person other than in the course of furthering the objectives of the association.
4. Substantially the whole of the funds of the association will be used for the sole or principal object for which it has been established.
5. No member will directly or indirectly have any personal or private interest in the association.
6. Substantially the whole of the activities of the association will be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or minority group.
7. The association will not have a share or other interest in any business, profession or occupation which is carried on by its members.
8. No remuneration will be paid to any employee, office bearer, member or other person, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered.
9. Substantially the whole of the funding of the association will be derived from its annual or other long-term members or from an appropriation by the government of the Republic in the national, provincial or local sphere.
10. On dissolution the assets will be transferred to another association; a public benefit organisation; an institution, board or body; or the government of the Republic in the national, provincial or local sphere.
11. A copy of any amendment to the constitution or written instrument of the association will be submitted within 30 days of its amendment to the Commissioner for SARS.
12. The association will comply with such reporting requirements as may be determined by the Commissioner for SARS.
13. The association is not knowingly and will not knowingly become a party to and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement, or a transaction, operation or scheme.

NOTE: The requirements contained in paragraph 3 and 5 above are not applicable to a mutual loan association.

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

We, the persons accepting fiduciary responsibility for the recreational club hereby undertake to comply with the following requirements:

1. The sole or principal object of the recreational club is to provide social and recreational amenities or facilities for its members.
2. At least three persons who accept fiduciary responsibility for the recreational club will not be connected persons in relation to each other and no single person will directly or indirectly control the decision-making powers relating to the recreational club.
3. The activities will be carried on in a non-profit manner.
4. No surplus funds will be directly or indirectly distributed to any person.
5. On dissolution the assets and funds of the recreational club will be transferred to any other recreational club any public benefit organisation (excluding a branch of a foreign exempt PBO); any institution, board or body which has as its sole or principal object the carrying on of any public benefit activity; or the government of the Republic in the national, provincial or local sphere.
6. No remuneration will be paid to any person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered, nor may any remuneration be determined as a percentage of any amounts received or accrued to the recreational club.
7. All members of the recreational club will be entitled to annual or seasonal membership.
8. No members of the recreational club will be allowed to sell their membership rights or any entitlement in terms thereof.
9. A copy of any amendment to the constitution or other written instrument, under which the recreational club is established, will be submitted to the Commissioner for the South African Revenue Service (SARS).
10. The recreational club will not or was not knowingly a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner for the SARS.

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

We, the persons accepting fiduciary responsibility for the small business funding entity hereby undertake to comply with the following requirements:

1. The small business funding entity must have a committee, a board of management or similar governing body consisting of at least three natural persons who are not connected persons in relation to each other to accept the fiduciary responsibility of that small business funding entity.
2. Not more than fifty per cent of the members of the committee or a board of management contemplated in item 1(a) may be employees or directors of any entity providing funding to that small business funding entity or persons who are connected persons in relation to any such employee or director.
3. Any single person may not directly or indirectly control the decision-making powers relating to that small business funding entity.
4. The small business funding entity may not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its sole or principal object.
5. The small business funding entity may not directly or indirectly distribute any of its funds or assets to any employee in relation to that entity or a person that is a connected person in relation to any such employee or to a person contemplated in subparagraph 1(a).
6. The small business funding entity is required to utilise substantially the whole of its funds for its sole or principal object for which it has been established.
7. The small business funding entity must during any year of assessment distribute or incur the obligation to distribute at least 25 per cent of all amounts received or accrued in respect of assets held, other than any amount received or accrued in respect of the disposal of any of those assets, during that year of assessment.
8. A member of a committee, a board of management or similar governing body of the small business funding entity may not directly or indirectly have any personal or private interest in that small business funding entity.
9. Substantially the whole of the activities of the small business funding entity must be directed to the furtherance of the sole or principal object of that small business funding entity.
10. The small business funding entity may not pay to any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered.
11. The small business funding entity must as part of its dissolution transfer its assets to:
 - another small business funding entity approved by the Commissioner in terms of this section -
 - a public benefit organisation contemplated in paragraph (a) (i) of the definition of public benefit organisation in section 10 (1) that is approved by the Commissioner as a public benefit organisation in terms of that section;
 - an institution, board or body which is exempt from tax under section 10 (1) (cA) (i); or
 - the government of the Republic in the national, provincial or local sphere;
12. A copy of any amendment of the constitution or written instrument of the small business funding entity will be submitted to the Commissioner within 30 days of its amendment.
13. The small business funding entity will comply with such reporting requirements as may be determined by the Commissioner from time to time; and
14. The small business funding entity is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103 (5).

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

Section 18A(1)(bA) (United Nation Entity)

The written undertaking is furnished to the Commissioner of the South African Revenue Service (the Commissioner) in accordance with section 18A(1)(bA)(bb) of the Income Tax Act 58 of 1962 (the Act) to confirm that –

1. Public Benefit activities in Part II of the Ninth Schedule to the Act are carried on in South Africa.
2. Section 18A receipts will be issued only for any bona fide donations in cash or in property made in kind, which were actually paid or transferred by a donor taxpayer.
3. Bona fide donations for which section 18A receipts were issued will be used solely in carrying on public benefit activities in Part II of the Ninth Schedule to the Act, in South Africa.
4. Diplomatic immunity is waived to enable the Commissioner to invoke section 18A(5)(i) of the Act should non-compliance with the provisions of section 18A of the Act occur, which will result in any donation for which section 18A receipts were issued to be deemed taxable income in the relevant year of assessment in which non-compliance with the provisions of section 18A occurred.

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

Section 10(1)(cA)(i) (Institution, Board or Body established by or under any law)

We, the persons accepting fiduciary responsibility hereby undertake to comply with the following requirements

1. Is not permitted to distribute any amount to any person, other than, in the case of such company, to the holders of the shares in that company.
2. Required to utilize its funds solely for the purpose for investment or the object for which it has been established
3. Required on dissolution; to transfer its assets to some other institution, board or body which has been granted exemption from tax in terms of this paragraph and which has objects similar to those institution, board or body or company or to the State.

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

Section 10A(1)(cA)(ii) (Companies Wholly Owned by one or more Institutions, Boards or Bodies established by or under any law)

We, the persons accepting fiduciary responsibility hereby undertake to comply with the following requirements

1. Is not permitted to distribute any amount to any person, other than, in the case of such company, to the holders of the shares in that company.
2. Required to utilize its funds solely for the purpose for investment or the object for which it has been established
3. Required on dissolution; to transfer its assets to some other institution, board or body which has been granted exemption from tax in terms of this paragraph and which has objects similar to those institution, board or body or company

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

We, the persons accepting fiduciary responsibility for the recreational-club association hereby undertake to comply with the following requirements

1. Has been formed solely for purposes of managing the collective interests common to all its members, which includes expenditure applicable to the common immovable property of such members and the collection of levies for which such members are liable
2. Is not permitted to distribute any of its funds to any person other than a similar association of persons

I acknowledge that I have read and understood the requirements stated above

EXAMPLE

Section 18A(1)(c) (Any Department of Government of the Republic in the National, Provincial, or Local Sphere)

We, the persons accepting fiduciary responsibility for the department or institution, hereby undertake to comply with, inter alia, the following requirements of the Act:

1. Ensure donations are used only for Public Benefit Activities listed in Part II of the Ninth Schedule to the Act.
2. Ensure such Public Benefit Activities are carried out only within South Africa.
3. Issue Section 18A receipts only for bona fide donations in cash or in-kind that have been paid or transferred by a donor taxpayer.
4. Comply with all reporting and administrative obligations as prescribed and published by the Commissioner.

I acknowledge that I have read and understood the requirements stated above

Declaration

I declare that to the best of my knowledge the information in this form is true and correct and meets the requirements of any legislation as administered by SARS.

Date

Year ▼

Month ▼

Day ▼

For enquiries go to www.sars.gov.za or call 0800 00 7277

EXAMPLE