

Tax Exemption Unit



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South African Revenue Service

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Exemption Reference no  
930040862

Income Tax Reference No.  
9125579186

Date  
12 April 2022



Dear Sir / Madam

**APPLICATION FOR INCOME TAX EXEMPTION APPROVED: NEIGHBOURHOOD OLD AGE HOMES OF THE ARCHDIOCESE OF CAPE TOWN**

The South African Revenue Service (SARS) would like to confirm that your application for exemption from income tax has been approved as it meets the requirements of a Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act No 58 of 1962 (the Act). Your Income Tax Exemption has been granted in terms of section 10(1)(cN) of the Act effect from 02 October 2012. Annual receipts and accruals will therefore be subject to the provisions of section 10(1)(cN) of the Act and accruals and receipts from trading or business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax.

The following exemptions also apply and are limited to:

1. The public benefit organisation has been approved for purposes of section 18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act with effect from 26 January 2014.
2. Donations made to or by the PBO are exempt from Donations Tax in terms of section 56(1)(h) of the Income Tax Act.
3. Exemption from the payment of Estate Duty in terms of section 4(h) of the Estate Duty Act No.45 of 1955.

1. When issuing a tax deductible receipt it must include the following information:
  - a) The reference number (the PBO number quoted on this letter).
  - b) The date of the receipt of the donation.
  - c) The name and address of the organisation issuing the receipt to which enquiries may be directed.
  - d) The name and address of the donor.The amount or nature of the donation if not in cash.  
Certification that the receipt is issued for the purpose of section 18A and that the donation will be used exclusively for the activities which are approved for section 18A purposes.

Ek sertifiseer dat hierdie dokument 'n ware afdruk/afskrif is van die  
I certify that this document is a true reproduction copy of the original  
oorspronklike wat deur my persoonlik besigtig is en dat, volgens my  
which was examined by me and that, from my observation the  
waarnemings, die oorspronklike nie op enige wyse gewysig is nie.  
original has not been altered in any manner.

Handtekening/Signature

- g) The receipt must be issued in the year when the donation is received by the organisation approved for purposes of section 18A.
2. Submit an annual Income Tax Return (IT12EI) by the due date via SARS eFiling. Your IT12EI can be obtained by
    - o Registering online at [www.sarsefiling.co.za](http://www.sarsefiling.co.za) to access, request and submit the IT12EI electronically
  3. Tax deductible receipts may only be issued for *bona fide* donations. Refer to Annexure A for more information in this regard.
  4. The exemption approval as contained in this letter is subject to review on an annual basis by the TEU upon receipt of annual income tax return and S18A supporting documentation.
  5. SARS must be informed in writing within 21 days of any change in registered particulars (e.g. Representative, change of name, address, trustee details, office bearers, etc.).

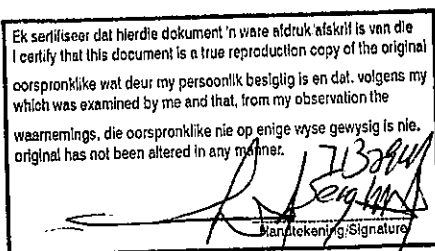
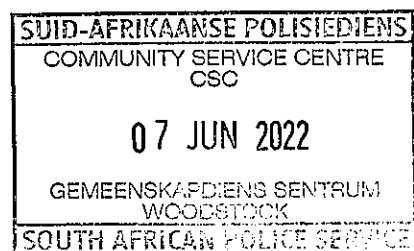
For further information or assistance, email your query to [teu@sars.gov.za](mailto:teu@sars.gov.za), visit the SARS website [www.sars.gov.za](http://www.sars.gov.za), call the TEU on 012 483 1700 or visit the TEU offices. Kindly ensure that you have your ID and tax reference number on hand to enable SARS to assist you.

Sincerely



Y Vorster  
Tax Exemption Unit

**ISSUED ON BEHALF OF THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE**



### Annexure A: Information pertaining to S18A donations

#### What is considered a *bona fide* donation for S18A purposes?

A *bona fide* donation is a voluntary, gratuitous gift disposed of by the donor out of liberality or generosity, where the donee is enriched and the donor impoverished. There may be no *quid pro quo*, no reciprocal obligations and no personal benefit for the donor. If the donee gives any consideration at all it is not a donation. The donor may not impose conditions which could enable him or any connected person in relation to himself to derive some direct or indirect benefit from the application of the donation.

#### Examples of what does NOT constitute a *bona fide* donation for purposes of section 18A?

1. Donation of services rendered such as a professional person renders a skill free of charge.
2. An amount paid for attending a fundraising dinner, dance or charity golf day.
3. The amount paid for the successful bid of goods auctioned to raise funds by an organisation and Memorabilia, paintings, etc, donated to be auctioned to raise funds
4. Amounts paid for raffle or lottery tickets.
5. Amounts paid for school fees, entrance fees for school admittance or compulsory school levies.
6. Value of free rent, water and electricity provided by a lessor to the lessee which is an approved PBO.
7. Payments in respect of debt due
8. Any distribution, contribution or donation made to an approved PBO for the purposes of BBBEE advancement (i.e. the donor and/or a related entity receives benefits in the form of BBBEE points by virtue of donating to a PBO).
9. Any distribution, contribution or donation made to an approved PBO for the purposes of complying with obligatory industry regulations (e.g. an entity in the energy sector is compelled by contractual agreement and/or industry regulation to contribute towards community development, in order to obtain or retain business with government).

