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Comptroller of Income Tax
Inland Revenue Authority of Singapore
55 Newton Road
Revenue House
Singapore 307987

Attention: Mrs. Kiew-Toh Eng Ngor

Dear Sir,

LETTER OF UNDERTAKING

[Name of approved NPO] would like to register with IRAS for the philanthropic grantmaker scheme which allows [Name of approved NPO] to grant double tax deduction (“DTD”) receipts to its donors, where donations are intended for and channeled to Institutions of a Public Character (“IPCs”).

I, [Name, Designation] of [Name of approved NPO], undertake that [Name of approved NPO] has adhered and will adhere to the following conditions:

- (a) [Name of approved NPO] is an approved NPO for the purposes of section 13U of the Income Tax Act (Cap. 134);
- (b) [Name of approved NPO] will channel the donation that is intended for an IPC to a segregated account or fund (hereinafter “designated IPC fund”) that is designated for donations to IPCs only;
- (c) [Name of approved NPO] will be responsible for issuing the DTD receipts to the donors, and it will distribute the donations to IPCs within five (5) years of receipt of the donations from the donors;
- (d) [Name of approved NPO] will be liable to pay to the Comptroller a financial penalty of the amount ascertained in accordance with the formula:

$$0.4 \times (A+B)$$

Where A represents any amount of donation for which DTD has been incorrectly granted or that is not properly due to a donor; and
B represents any amount of donation for which DTD was granted and which are not disbursed within the 5-year timeframe;

- (e) Upon dissolution of the designated IPC fund, [Name of approved NPO] will distribute any residual funds or assets (if any) to IPCs;
- (f) [Name of approved NPO] will institute proper procedures to ensure that the donations are in fact channeled to IPCs;

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- (g) [Name of approved NPO] will keep for proper records, including but not limited to: the identity of each donor, the date of donation, the amount of donation received from each donor and the amount of DTD receipt that was issued to each donor. These records will be kept for at least seven (7) years;
- (h) [Name of approved NPO] will submit details of cash donation received and disbursed by [Name of approved NPO] in the format prescribed by IRAS on an annual basis; and
- (i) [Name of approved NPO] will subject the designated IPC fund to an annual external audit, and will submit the annual audited accounts to IRAS.

Yours faithfully,

[Name]
[Designation]