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

Attention: Ms Audrey Yue

Dear Sir,

LETTER OF UNDERTAKING

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

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

- (a) [Name of approved NPO/registered Charity] is an approved NPO for the purposes of section 13R of the Income Tax Act 1947/a registered Charity under the Charities Act 1994;
- (b) [Name of approved NPO/registered Charity] will channel any tax deductible 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/registered Charity] will be responsible for issuing a tax deduction receipt for a tax deductible donation to the donor, 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/registered Charity] 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 tax deduction has been incorrectly granted or that is not properly due to a donor; and B represents any amount of donation for which tax deduction was granted and which are not disbursed within the 5-year timeframe;

SAMPLE

- (e) Upon dissolution of the designated IPC fund, [Name of approved NPO/registered Charity] will distribute any residual funds or assets (if any) to IPCs within one month;
- (f) [Name of approved NPO/registered Charity] will institute proper procedures to ensure that the tax deductible donations are in fact channelled to IPCs;
- (g) [Name of approved NPO/registered Charity] 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 tax deduction receipt that was issued to each donor. These records will be kept for at least seven (7) years;
- (h) [Name of approved NPO/registered Charity] will submit details of tax deductible donations received and disbursed by [Name of approved NPO/registered Charity] in the format prescribed by IRAS on an annual basis; and
- (i) [Name of approved NPO/registered Charity] will subject the designated IPC fund to an annual external audit, and will submit the annual audited accounts to IRAS within one month of the date of the audit report.

Yours faithfully,

[Name]
[Designation]