



**SINGAPORE TABLE TENNIS ASSOCIATION (STTA)**  
**FUNDRAISING POLICY**

**1. Introduction**

The Singapore Table Tennis Association (STTA) is a registered charity with Institute of Public Character (IPC) status. The Management Committee (MC) and staff are committed to ensuring fundraising activities are carried out in an ethical manner and providing reassurance and transparency to our donors.

**2. Scope**

This Policy sets out the general guidelines for fundraising activities by STTA and how donations are to be managed, ensuring compliance with legal or regulatory requirements. This Policy is applicable to all Representatives who raises funds for the Association through private, corporate, public or other sources.

**3. Definitions**

**Beneficiary** means the recipient area (eg. OTSF Fund) which will receive the benefits from a donation.

**Donation** means a voluntary transfer of money or property to STTA by way of benefaction where no material benefit is received by the donor from STTA in return.

**Donation in-kind** means a donation other than a donation of money — e.g. goods, services, or property.

**Donor** means any person or organisation making a donation to STTA.

**Fundraising Activity** means all activities undertaken by or on behalf of the Association with the aim of soliciting or receiving donations.

**Recognition** means actions taken by STTA to recognise the generosity of donors, individually or collectively.

**Representatives** refer to Management Committee Members, staff, volunteers and all other individuals representing or acting on behalf of the Association.

**Sponsorship** means a transfer of money or property to STTA in a transaction where the sponsor receives certain specified material benefits in return.

#### **4. Fundraising Guidelines**

The MC, staff and any fundraising committee shall ensure that:

- Representatives raising funds for the Association shall always act with fairness, honesty, integrity and openness.
- Fundraising activities carried out by the Associations will comply with laws and regulations in Singapore.
- Representatives shall not exploit their position for personal gain.
- Nobody directly or indirectly employed by or volunteering for STTA shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation.
- A Fundraising Sub-Committee may be formed to carry out the major fundraising tasks. The Sub-Committee will report regularly to the MC, including tabling of meeting minutes at MC meetings.
- All fundraising activities must have the prior approval of the MC as recorded in meeting minutes.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of STTA.

#### **5. Duty to Donors**

It is the duty of STTA to ensure:

- That any information provided to donors or to the general public is accurate and not misleading.
- To disclose the name of STTA, intended use of funds raised (includes the cause and/or beneficiaries if applicable) and to declare if any commercial fund-raiser has been engaged in soliciting the donation.
- That donors have the right to obtain information on how their donations are used.

#### **6. Fundraising – Restricted vs Unrestricted Funds**

The Association may conduct fundraising activities to garner donations towards its restricted funds or for unrestricted funds. All monies raised for a particular restricted fund shall be ringfenced and used for the specific purposes identified by that fund. The monies raised for unrestricted fund shall be used for day-to-day operation of the Association.

Any other donations received that was not specified for restricted fund, and where the donor's intentions were not made known by the donor, shall be classified as unrestricted donations.

#### **7. Fundraising Efficiency Ratio – 30/70 Rule**

For all fundraising activities, STTA shall keep its fund-raising efficiency ratio below 30%, commonly known as the 30/70 rule. The fund-raising efficiency ratio is the total fundraising expenses to the total gross receipts from fund-raising and sponsorships of the charity or IPC for that financial year.

For fund-raising done via sale of merchandise, only the net proceeds (i.e. the gross amount received from sale of merchandise less cost of relevant goods), will be treated as receipts. The cost of merchandise need not be included as part of fund-raising expenses.

**Formula for computing Fund-raising Efficiency Ratio:**

$$\frac{(E + S)}{(R + S)} \times 100\% \leq 30\%$$

"E" refers to the total expenses relating to fund-raising for the financial year, including Direct and material indirect expenses of any kind; and Payments made to commercial fund-raisers engaged by the Association, but excluding, in a case of the sale of goods by or on behalf of SSA for fund-raising (and not trading), the cost of the goods sold.

"R" refers to the total receipts from such sale (after excluding only the cost of the goods sold), in the case of sale of goods by or on behalf of STTA for fund-raising (and not trading); and the total gross receipts from any other fund-raising for that financial year.

"S" refers to Total amount of sponsorships in cash received by the Association relating to fund-raising for that financial year, conditioned upon the provision of direct or indirect commercial benefit to the sponsors; and Total cost or value of sponsored property, goods and services for which tax deduction receipts are issued relating to fund-raising for that financial year.

"Sponsorship" in the 30/70 fund-raising efficiency ratio refers only to cash sponsorships that are conditioned upon the provision of direct or indirect commercial benefit to the sponsors and in-kind sponsorships where tax deduction receipts are issued.

## **8. Tax-Deductible/Non-Tax-Deductible Donations**

### **8.1 Tax-Deductible Donations**

Under section 37(3) of the Income Tax Act, a tax deduction in respect of certain donations is granted. However, where the donor receives a benefit in return for the donation made, the tax deduction is only granted on the difference between the donation and the cost of benefit.

Similarly, for GST purpose, a donation is not subject to GST where the recipient of donation does not provide any benefit to the donor in return for the donation. Where the recipient of donation provides some benefits to the donor in return for a donation, all or part of the donation is considered to be payment in return for goods or services.

GST is to be accounted by the recipient of donation on such consideration if the recipient of donation is GST-registered.

The table below lists the common benefits given in return for donations, wherein IRAS will now deem the donations as pure donations

<b>Benefits</b>	<b>Whether Benefit is Considered to have a Commercial Value</b>	<b>Income Tax Treatment</b>	<b>GST Treatment</b>
(a) Charity gala dinner (including incidental benefits*)	No	Tax deduction on the full amount donated is allowed to the donor.	No GST needs to be accounted by the recipient of donation.

(b) Charity show (including incidental benefits*)	No	Tax deduction on the full amount donated is allowed to the donor.	No GST needs to be accounted by the recipient of donation.
(c) Golf tournament (including incidental benefits*)	No	Tax deduction on the full amount donated is allowed to the donor.	No GST needs to be accounted by the recipient of donation.
(d) Not-intended for-resale^ complimentary tickets (e.g., Singapore Zoo, movies, seminars, performances, exhibitions)	No	Tax deduction on the full amount donated is allowed to the donor.	No GST needs to be accounted by the recipient of donation.
(e) Souvenir or gift (e.g. plaques, commemorative books)	No, except where such souvenir or gift is sold commercially. The souvenir or gift will not be considered as sold commercially if it: (a) is specially made for a particular fundraising event and not available for sale in the market; (b) bears the logo of the recipient of the donation or; (c) carries the fundraising message.	Tax deduction on the full amount donated is allowed to the donor. Where the souvenirs or gifts are commercially available, tax deduction on the difference between the amount donated and the price of the souvenir or gift is allowed to the donor.	No GST needs to be accounted by the recipient of donation. Where the souvenirs or gifts are commercially available, GST is to be accounted by the recipient of donation on the price of the souvenir or gift.

For all other benefits given in return for donation, the current tax treatment of disallowing income tax deduction and imposing GST on the benefit accruing to the donor continues to be applicable. The table below lists some of these benefits given in return for donations, and illustrates the current tax treatment for the circumstances.

Types of Benefits	Whether Benefit is Considered to have a Commercial Value	Income Tax Treatment	GST Treatment
(f) Advertising Space (separately priced with no donation component)	Yes	Not a bona fide donation. No tax deduction on any amount contributed is allowed to the donor	GST is to be accounted by the recipient of the contribution on the price of the advertising space.
(g) Advertising Space (made together with donations) (refer to # for exceptions)	Yes	Tax deduction on the difference between the amount donated and the price of the	GST is to be accounted by the recipient of donation on the price of the advertising space.

		advertising space is allowed to the donor.	
(h) Goods offered at Charity auction	Yes	Tax deduction on the difference between the amount donated and the market value of the item being auctioned is allowed to the donor	GST is to be accounted by the recipient of donation on the market value of the auctioned item
(i) Sales of artefact (e.g. paintings)	Yes	Tax deduction on the difference between the amount donated and the market value of the artefact is allowed to the donor.	GST is to be accounted by the recipient of donation on the market value of the artefact.

### # Exceptions

An IPC or registered charity that merely acknowledges a donor for its donations will not be considered as having conferred a benefit to the donor. IRAS will consider an acknowledgement as such if all of the following conditions are satisfied:

- The acknowledgement is a display of the donor's logo and/or name on the IPCs' or charities' collaterals
- Accompanied with the words such as "with compliments from"/ "in acknowledgement of"/ "special thanks to"/ "with appreciation to", or the equivalent, regardless of the size of the display;
- There are no comparative or qualitative descriptions, slogans, locations, contact details, or a description (including displays or visual depictions) of donor's products or services; and
- There are no links or tags to donor's website and social media platform e.g. Instagram/ Facebook/ Twitter/ LinkedIn.

### 8.2 Non-Tax-Deductible Donations

These donations are not tax deductible:

- Donations where the donor is essentially advertising at the STTA's premise, event, or programme. Donors displaying their banners, products, or other collaterals at the premise, event, or programme to which it has donated is regarded as advertising or marketing expenses and not a donation; and
- Donations or gifts that are for a "foreign charitable purpose".

## 9. Donations and Claiming Tax Deduction

### 9.1 Cash/Cheque/GIRO Donations

All donors shall provide the following information to STTA at the point of donation in order to be eligible for tax-deduction:

- Name of individual or company
- NRIC/FIN/UEN number

STTA will submit the donors' particulars to IRAS on an annual basis for the donation to be automatically included in the donor's tax assessment.

## **9.2 Anonymous Donors**

Donors who wish to remain anonymous and do not wish to claim tax deduction are not required to provide their tax reference numbers.

## **10. Maintenance of Accounting Records and Disclosure of Information**

All accounting records relating to the fund-raising activities must be maintained for a minimum period of 5 years from the end of the financial year. All personal information collected by STTA is confidential and is not for sale or to be given away or disclosed to any third party without consent. STTA shall disclose in their financial statements the consolidated amount of donations received from the fund-raising appeals in the financial year.

## **11. Privacy Statement**

The Association collects personal data about its members, employees, customers, business partners, sub-contractors, vendors and/or suppliers for specified purposes like provisioning of our services, conducting business activities, administering operations and complying with statutory regulations. In respect of any personal data (as defined in the Personal Data Protection Act 2012 of Singapore ("PDPA") that you may provide or that we may collect in connection with the provision of services to you and to the extent that your consent is required under law, you agree and consent that we (together with our service providers and third parties appointed by us on your behalf) may collect, use, disclose and process such personal data for the purposes identified in our personal data policy, available at <https://www.stta.org.sg> or on request ("PDPA Policy").

If you provide us with any personal data relating to a third party, by submitting such personal data to us, you also represent to us that you have obtained the consent of that third party to you providing their personal data for the relevant purpose and must have ensured that you have notified the third party of the terms of the PDPA Policy and obtained his/her consent thereto.