

Approved Gifts

Fifth Schedule - Business Tax Act 2009

Following changes made to the fifth schedule of the Business Tax Act relating to 'Approved Gifts' effective 1 January 2024, businesses extending donations shall benefit from 150% deductibility from their business assessable income instead of the previous rate of 100%.

As read in section 23 of the fifth schedule of the Business Tax Act, 2009, "Gifts (other than the gifts referred to in paragraph 1A) made to public fund, body, institutions, charities or non-governmental organizations shall be 150% deductible from the business assessable income. Gifts can also include donations."

Prior to accepting any donations, charities and non-governmental organizations requesting for donations must ensure to register as a charity or non-governmental organization with the Ministry of Finance, National Planning and Trade to be issued with a certificate confirming their status.

Businesses making donations must likewise ensure that charity or non-governmental organization receiving the donations is registered with the Ministry of Finance, National Planning and Trade and holds a certificate confirming the charity or non-governmental organization's status as issued by the ministry.

