

**The Benefits**

**of donating to**

**a section 18A**

**public benefit organisation**

**such as**

**AFFIES TRUST**

## How will a donation be used?

Although **Afrikaanse Hoërskool Sasolburg** has a proud history, the school is facing enormous challenges in the years ahead. While wishing to remain at the forefront of education, school fees do not cover the full educational advancement requirements and funding beyond the parent body is therefore inevitable.

All work done by **Afrikaanse Hoërskool Sasolburg Trust** will be for the sole benefit of the learners in **Afrikaanse Hoërskool Sasolburg**.

### The Trust

1. is an **education and development** trust,
2. has been registered with SARS as a **Public Benefit Organisation** in terms of Section 18A of the Income Tax Act (**PBO exemption no. 930 043 997**),
3. is **governed by a trust deed** registered with the Master of the High Court (**Trust no. IT 2233/96**),
4. is managed by five trustees in an **independent Board of Trustees**, completely separate to the school with the principal the only trustee representing the school and the School Governing Body,
5. is **audited annually** by an independent auditing company to ensure good governance and compliance with legislation.

**Objectives** and actions that form the core of the plan to deliver quality education are presented in 6 sections below. None of the sections takes priority over the other and all will be implemented simultaneously on a planned basis, funding permitting:

1. To financially support the school with the establishment, improvement and maintenance of school buildings, sport facilities and auxiliary equipment.  
  
Action: Develop the school campus for better service delivery in all aspects of school life.
2. To financially support the school with the implementation of latest teaching and class room technologies.  
  
Action: Make certain that every learner and teacher has the ability to use the most recent technological innovations, which are relevant and affordable to current and future educational needs.
3. To financially support the school with staff development.  
  
Action: Plan and implement a portfolio whereby each teacher will develop a personal professional intervention plan linked to key outcomes of the school with regular evaluations.
4. To financially support the school with entrenching whole person development through school productions, school tours and curriculum enhancement.

Action: Enhance co-curricular activities in culture, sport, art and music.

5. To grant bona fide bursaries and awards to learners in the school on grounds of objective merit.

Action: Reward achievements in line with the performance matrix of the school.

6. To develop and grow an Endowment Fund in the RSA to finance the above.

Action: Substantially increase alumni participation in school programmes as active members of the school community and encourage participation in the development fund.

## What can be donated?\*

Money (cash) or property made in kind can be donated. Donations of property made in kind will be valued in accordance with the relevant clauses of Section 18A of the Income Tax Act and may include (a) shares in a listed company (b) trading stock (c) property etc. To qualify as a *bona fide* donation, the donation or gift must be disposed off freely out of generosity and the donation must be irrevocable.

Contributions of a service namely time, skills or efforts rendered free of charge do not constitute a *bona fide* donation for purposes of Section 18A of the Income Tax Act. The value of free rent, memorabilia donated to be auctioned to raise funds, the amount paid for attending a fundraising event, etc do not qualify either.

\* Refer to the relevant clauses in the Trust Deed for more detail.

## How to make an electronic cash donation

**Step One:** Create a link to Affies Trust, banking details are

Afrikaanse Hoërskool Sasolburg Trust  
ABSA  
Branch Code: 63 20 05  
Account number: 92-8606-6283

**Step Two:** Use your Initials and Surname as reference

**Step Three:** Inform us about your donation by sending a mail to:

[affies@lantic.net](mailto:affies@lantic.net) (for the trust administration to take note)

[lessingprinsloo@gmail.com](mailto:lessingprinsloo@gmail.com) (for the accounting authority to take note)

And state your

- (a) Initials and Surname (same as in **Step Two**)
- (b) Your address (to send you your certificate)
- (c) Amount donated

The Trust will verify your donation and send you a certificate at the earliest opportunity.

## Tax Certificate

The Trust will issue a Tax Exemption Certificate to the donor. The donor will have to attach the certificate to his/her Tax Return and claim the donation against "Section 18A donations".

Adres: Lemmerstraat 1  
Sasolburg, 1947

Posbus 1116  
Sasolburg, 1947

e-pos: [affies@lantic.net](mailto:affies@lantic.net)

tel: (016) 976-1060

fax: (016) 976-1061



Address: 1 Lemmer Street  
Sasolburg, 1947

PO Box 1116  
Sasolburg, 1947

e-mail: [affies@lantic.net](mailto:affies@lantic.net)

### Afrikaanse Hoërskool Sasolburg Trust

IT 2233/96

**AMPELIKE KWITANSIE EN BELASTINGVRYSTELLINGSERTIFIKAAT  
OFFICIAL RECEIPT AND TAX EXEMPTION CERTIFICATE**

OWO-VRYSTELLINGSNR. / PBO EXEMPTION NO.: <b>930 043 997</b> SERTIFIKAAT UITGEREIK KRAGTINGS ARTIKEL 18A VAN DIE INKOMSTEBELASTINGWET, WET NR. 58 VAN 1962 CERTIFICATE ISSUED IN TERMS OF SECTION 18A OF THE INCOME TAX ACT, ACT NO. 58 OF 1962 Hiermee word ontvangs erken van 'n belastingvrye skenking. Die besonderhede van die skenking is soos volg: This is to acknowledge the receipt of a tax free donation. The details of the donation are as follows:			
ONTVANG VAN RECEIVED FROM Naam en adres van donateur Name and address of donor	UITREIINGSDATUM DATE OF ISSUE	SERTIFIKAAT KWITANSIENR. CERTIFICATE/ RECEIPT NO.	BELASTINGJAAR TAX YEAR
BESKRYWING VAN ONHERROEPLIKE SKENKING DESCRIPTION OF IRREVOCABLE DONATION		BEDRAG / WAARDE AMOUNT / VALUE	
Dit word gesertifiseer dat die donasie ontvang uitsluitlik aangewend sal word vir openbare weliaad aktiwiteite, soos goedgekeur vir die doel van die Afrikaanse Hoërskool Sasolburg Trust, en dat die sertifikaat uitgereik word vir die doeleindes van Artikel 18A van die Inkomstebelastingwet, Wet Nr. 58 van 1962. It is certified that the donation will be used exclusively for public benefit activities, as approved for the object of the Afrikaanse Hoërskool Sasolburg Trust, and that the certificate has been issued for purposes of Section 18A of the Income Tax Act, Act No. 58 of 1962. Heg hierdie sertifikaat aan u belastingaanslag. Attach this certificate to your tax return.			

Met dank ontvang / Accepted with thanks

Vir navrae kontak:  
For enquires contact:

Oudleure / Auditors  
Lessing & Prinsloo  
Posbus / PO Box 542  
Sasolburg, 1947

\_\_\_\_\_  
Namens / On behalf of  
Afrikaanse Hoërskool Sasolburg Trust

## Artikel 18A donasies

Voorbeeld: n Persoon het n belasbare inkomste van R1000 en hy word teen 40% belas. Belastingaftrekbare donasies word tot 10% van belasbare inkomste beperk m.a.w in hierdie geval tot  $R1000 \times 0.1 = R100$

### (1) EFFEK OP DONATEUR SE BELASTING BETAALBAAR

Sonder donasie:

Belasting betaalbaar = Belasbare inkomste x belastingkoers  
 $R1000 \times 0.4 = \underline{R400}$

Met donasie:

Belasbare inkomste verlaag met die bedrag (R100 in hierdie geval) wat aan Artikel 18A instansies geskenk word.

Belasting betaalbaar =  $(R1000 - R100) \times 0.4 = \underline{R360}$

Die **donasie van R100** beteken derhalwe dat  $R400 - R360 = \underline{R40}$  minder belasting aan die staat betaal word.

Die **staat se besteebare kontant** het derhalwe met **R40 verminder**; met hoeveel het die donateur se besteebare kontant verminder?

### (2) EFFEK OP DONATEUR SE BESTEEBARE KONTANT

Sonder donasie:

Belasbare inkomste:	R 1000	
<u>min Belasting betaalbaar:</u>	<u>R 400</u>	40% belastingkoers (0.4 x1000)
Besteebare inkomste na belasting:	R 600	

Met donasie:

Maak n skenking aan Artikel 18A instansie: R 100 (maks 10% van belasbare inkomste)

Belastingopgawe word nou ingedien en donateur eis die skenking

Donasie:	R 100	eis teen Artikel 18A sertifikaat uitgereik
<u>min SARS vrystelling:</u>	<u>R 40</u>	teen dieselfde belastingkoers as hierbo (0.4 x100)
Effektiewe skenking:	R 60	<b>donateur se besteebare kontant verminder</b>

**Donateur se besteebare inkomste na belasting en skenking:  $R1000 - R400 - R60 = R540$**

Met ander woorde: Vir elke R100 wat die donateur aan n Artikel 18A instansie skenk, is sy besteebare kontant met slegs R60 verminder, en die staat word verplig om R40 by te dra (Die staat se besteebare kontant het met R40 verminder soos in (1) hierbo aangetoon). Donasies (R100) is derhalwe n effektiewe manier om, saam met jou eie vrywillige bydrae (R60), n verpligte bydrae (R40) vanaf die staat te kry en dit dan te kanaliseer na n Artikel 18A instansie van jou keuse (Affies).

### (3) Kontroleberekening: SARS se siening van donateur se besteebare kontant

Belasbare inkomste:	R 1000	
<u>min belastingaftrekbare donasie</u>	<u>R 100</u>	maks 10% van belasbare inkomste
Belasbare inkomste	R 900	
<u>min Belasting betaalbaar</u>	<u>R 360</u>	40% belastingkoers (0.4 x 900)
<b>Besteebare inkomste:</b>	<b>R 540</b>	dieselfde as in (2) hierbo bereken

### (4) EFFEK OP ARTIKEL 18A INSTANSIE SE BESTEEBARE KONTANT

**Besteebare kontant vermeerder met volle donasie van R100** (is vrygestel van belasting).

## (5) COMPANY DONATIONS

If you're a company you're allowed R10 000 per year of assessment.

If you donate to a public benefit organisation (PBO) who has been approved to issue Section 18A receipts (like AFFIES), your donation will be an allowable deduction. But this allowance is limited to a maximum of 10% of your taxable income for the year.

### **Example with donation**

Company have taxable income of R80 000

10% = R 8 000

Taxable income after donation R72 000

Company tax at 28% R20 160

### **Example without donation**

Company have taxable income of R80 000

Company tax at 28% R22 400

This translates to an effective out of pocket expense of R5 760 or 72% of the amount donated.

In summary, section 18A entitles a taxpayer (individual, company, close corporation or trust) to deduct annually donations to certain public benefit organisations.