

FAQ – What requirements must be complied with after obtaining section 18A approval?

An organisation approved by the Commissioner for purposes of section 18A of the IT Act is required to: Only issue tax deductible receipts in the year the donation is received. Maintain proper control over the application of donations received which qualify as a tax deduction. Only issue a tax deductible receipt for a donation used to carry on section 18A approved PBAs. If a PBO carries on both Part I and Part II PBAs, the PBO will be required to obtain an auditor's certificate certifying that all donations for which tax

deductible receipts were issued
were used solely in carrying on
approved PBAs in Part II of the
Ninth Schedule to the IT Act.