Afrika Burns Creative Projects NPC - Section 18A Guidance Note

Thank you hugely for considering a contribution to Afrika Burns Creative Projects. We truly are a community of doers and carers. This document should tell you what you need to know – if anything is unclear, please pop us an email on info@afrikaburn.com and we will do our best to help you.

What is the deal about claiming tax relief?
Donors (resident in South Africa and paying their tax to South African Revenue Services) can obtain tax deductions on donations to approved organisations, commonly known as a Section 18A Public Benefit Organisation (S18A PBO) to a maximum of 10% of their taxable income in any one financial year.

So, for example, if a donor earns R100 000 in taxable income per year and during that year donates a total of R10 000 to one or more S18A PBOs, that donor's tax will be calculated on R90 000 (not R100 000).

In order to claim a tax deduction, the donation has to be supported by a receipt issued from a S18A PBO – which Afrika Burns Creative Projects is. Our PBO number: 930045371.

How do I claim tax deduction for my donation to Afrika Burns Creative Projects?

1. Make a financial contribution. You can do this through PayFast, or directly to:
   First National Bank
   Account name: Afrika Burns Creative Projects
   Account number: 62927769432
   Account type: Gold Business Account
   Branch code: 210835
2. Complete the form with your information on the AfrikaBurn's Donate Page.
3. Once received, you will receive a S18A certificate via email.
4. Your S18A certificate is needed to claim your tax deduction under the code 4011 donation.
5. You must claim in the financial year in which you made the donation.
6. A carry over, if you donate more than 10% is allowed in the subsequent financial year.

What about donating stuff?
Donations in kind can qualify for tax deduction, but they must specifically be bought for the programme.

For example:

- Unused non-perishable food gifted through Collexodus at an AfrikaBurn event cannot qualify for tax deduction, because the food was purchased for your consumption at the event.
- Similarly your books that are no longer needed and gifted on to Elandsvlei School cannot qualify for tax deduction.
- Whereas animal feed bought specifically for the donkeys in the Tankwa does qualify – as it is purchased specifically for the programme.

AfrikaBurn may require documentation to determine the cost value of in-kind donations in order to issue a S18A certificate.

What about business donations?
Donations of pro bono or discounted services, rent or rates, prizes, auction items, raffle or fundraising tickets, do not qualify for tax deduction.

SARS has different ways of valuing in-kind donations from businesses depending on whether:

- The asset forms part of trading stock - for example a farmer donating surplus vegetables to the school feeding scheme
- It is a business asset used in trade for example computers; or
- The donation is purchased, manufactured, erected, assembled, installed or constructed specifically for the purpose of being donated - i.e. a classroom upgrade.

We do of course welcome donations of second hand goods as repurposing is an important part of our ethos.

Please contact us on info@afrikaburn.com for a current list of in kind donations we are seeking per programme. Thank-you for your support.