

BUSINESS AND IPC PARTNERSHIP SCHEME (BIPS)

SERVICE GIVING DECLARATION FORM

This BIPS Service Giving Declaration Form is dated DD/MM/YYYY for the services to be provided in the period of DD/MM/YYYY HOUR – DD/MM/YYYY HOUR (xx Hours*)

(* Delete where appropriate)

BETWEEN: Business Name (Tax Reference Number)
(the "Giver")
Financial Year End of Giver: DD/MM

AND: IPC Name (UEN)
(the "Beneficiary")

Parties to this form are to retain a signed copy of this Declaration Form.

BIPS Service Giving Declaration Form comprises	Actions required by Giver	Actions required by Beneficiary
Form A: to fill in <u>before</u> provision of services	To fill in, based on <u>estimated</u> expenditure, and sign Page 3	To sign Page 3 of form
Form B: to update <u>after</u> provision of services	To update with <u>actual</u> expenditure, and sign Page 10	To vet and sign Page 10 of form

1. BACKGROUND

- (A) Introduced in Budget 2016, the pilot BIPS, from 1 July 2016 till 31 December 2018, will allow businesses (or known as Giver) that organise their employees to volunteer and provide services to IPCs (or known as the Beneficiary), including secondments, to receive a 250% tax deduction on qualifying expenditure incurred, subject to the receiving IPC's agreement. The qualifying expenditure cap for each business and IPC is \$250,000 per Year of Assessment and \$50,000 per Calendar Year respectively.
- (B) The BIPS Service Giving Declaration Form is intended to document the details of the qualifying expenditure under BIPS to facilitate the administration of tax deduction for the Giver, and is not intended as a procurement form.

2. ACKNOWLEDGEMENT

In consideration of the matters described above and of the mutual benefits and understanding set forth in this document, the receipt and sufficiency of which consideration is hereby acknowledged, the Beneficiary and Giver (collectively the "Parties" to this document) agree as follows:

- (A) The Beneficiary hereby agrees to engage the Giver to provide the Beneficiary with services (the "Services"), as stated in **Form A**, and is of the opinion that the Giver has the necessary abilities and commitment to do so;
- (B) **Form A** will document the details of the Services and the estimated costs of providing the Services (i.e. before the provision of Services), subject to the Beneficiary's agreement. Upon the completion of the Services, the actual expenditure should be updated in **Form B**, subject to the Beneficiary's endorsement;
- (C) The Giver is agreeable to providing such Services to the Beneficiary on the scope of work set out in this document; and
- (D) The Beneficiary reserves the right to determine the amount of expenditure that it endorses for BIPS tax deduction at Form B, should the expenditure at Form B differ from that in Form A.

3. DECLARATION

- (A) The Giver hereby declares that:
 - 1. Due diligence has been exercised to ensure that the information declared is an accurate account of the expenditure incurred during the volunteering/ secondment; the expenditure meets the qualifying conditions; and acknowledges that any incorrect declarations in the income tax return will result in penalties.
 - 2. Requests for documents from the Beneficiary to conduct random checks on selected items will be allowed.
 - 3. Permission will be given for MOF and IRAS to tap on the data provided in this Declaration Form, either via the Giver or the Beneficiary, for statistical/review purposes.
 - 4. The business cap of \$250,000 per Year of Assessment has not been fully utilised at this point in time, and that the business cap will not be exceeded after summing the qualifying expenditure in **Form B**. The Giver should inform the Beneficiary, should the business cap be reached as this would affect claims for tax deduction.
 - 5. Other incentive schemes for the same provision of services (e.g. matching grant under the SHARE as One Programme) have not been applied for.

6. The provision of service is without conditions attached, such as conditions that confer a commercial benefit to the Giver.
7. The Beneficiary will be indemnified from responsibilities should the tax deduction claim not be provided due to reasons beyond the Beneficiary's control.

(B) The Beneficiary hereby declares that:

1. The IPC cap of \$50,000 per Calendar Year has not been fully utilised at this point in time, and that the IPC cap will not be exceeded after summing the qualifying expenditure in **Form A** (for services yet to be provided) **and Form B** (for services already provided).
2. The expenditure items declared under Forms A and B will be kept confidential, and only made available to the Giver, and the authorised agencies.

(C) Declaration by the Parties:

1. The Term of this Declaration will begin on the date of this document and will remain in full force and effect until the completion of the Services, subject to earlier termination as provided in this document. The Term of this Declaration may be extended with the written consent of the Parties.
2. In the event that either Party wishes to discontinue this Declaration, that Party will be required to provide reasonable advance written notice to the other Party, ahead of the Services start date.
3. The Parties agree to do everything reasonable and necessary to ensure that the Term of this Declaration is adhered to.
4. Except as otherwise provided in this Declaration, all monetary amounts referred to this Declaration are in SGD (\$).

Name of Business Personnel,

signed on behalf of Giver

NRIC: _____

Signature/Date

Name of IPC Personnel,

signed on behalf of Beneficiary

NRIC: _____

Signature/Date

FORM A – DETAILS OF SERVICES AND BREAKDOWN OF ESTIMATED EXPENDITURE BEFORE PROVISION OF SERVICES

Givers should check that the items listed are eligible for BIPS claims. The qualifying expenditure must fulfil the following requirements.

- a) Unreimbursed by the IPCs at any time
- b) Incurred only because of the volunteer services
- c) Not considered as personal, living, or family expenses; and
- d) Not capital expenditure

Services to be provided for¹: _____, an existing/ new partnership* (*delete when appropriate) between Giver and Beneficiary, with intention/ no intention* (*delete when appropriate) for partnership to be a sustained one.

No.	Type of Expenditure (e.g. wages, transport, lunch etc)	Expenditure incurred (estimated)	Calculations/ cost basis/ other remarks

¹ Please use one form per service.

No.	Type of Expenditure (e.g. wages, transport, lunch etc)	Expenditure incurred (estimated)	Calculations/ cost basis/ other remarks
(A) Total <u>estimated</u> wage expenditure			
(B) Total <u>estimated</u> related expenses (i.e. exclude wage expenditure)			
(C) Total <u>estimated</u> qualifying expenditure [(C) = (A) + (B)]			

FORM B – REVISED DETAILS OF SERVICES AND BREAKDOWN OF ACTUAL EXPENDITURE AFTER PROVISION OF SERVICES

Form B, which is an update to Form A, is dated DD/MM/YYYY for service provided in the period of DD/MM/YYYY HOUR – DD/MM/YYYY HOUR (xx Hours*) (* Delete where appropriate)

The qualifying expenditure must fulfil the following requirements:

- a) Unreimbursed by the IPCs at any time
- b) Necessary expenditure for the volunteer services
- c) Not considered as personal, living, or family expenses; and
- d) Not capital expenditure

Services provided: _____

No.	Type of Expenditure (e.g. wages, transport, lunch etc)	Expenditure incurred (actual)	Calculations/ cost basis/ other remarks

No.	Type of Expenditure (e.g. wages, transport, lunch etc)	Expenditure incurred (actual)	Calculations/ cost basis/ other remarks
(A) Total <u>actual</u> wage expenditure			
(B) Total <u>actual</u> related expenses (i.e. exclude wage expenditure)			
(C) Total <u>actual</u> qualifying expenditure [(C) = (A) + (B)]			
[For Beneficiary's endorsement] Amount that IPC endorses²			

² The amount that IPC endorses need not be the same as the total actual expenditure incurred by the Giver, especially in scenarios where the *actual* expenditure incurred (as per Form B) is significantly higher than the *estimated* expenditure (as per Form A) agreed by the Parties.

Details of employees involved in providing the voluntary services are to be provided for in the below table. Pro-rated³ basic wages of employees involved in providing the voluntary services are eligible, if

- They are full time employees⁴; and
- Time spent providing services to IPCs are during business' official working hours⁵.

S/N	Employees	Time spent volunteering/ on secondment	Full time staff? (Yes/ No)	Remarks (i.e. additional information)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

³ Based on the number of hours/ days involved in providing the voluntary services.

⁴ This can be permanent or contract staff, but excludes part-time staff that work less than 35 hours a week. This excludes owners of sole-proprietorship, partners of partnerships and shareholders who are also directors of companies.

⁵ Only wages for the time spent at the IPC's premises/ volunteering event will be allowable. Wages for time spent preparing for the volunteering event, and time spent travelling to and fro for the voluntary activity will not be allowable.

S/N	Employees	Time spent volunteering/ on secondment	Full time staff? (Yes/ No)	Remarks (i.e. additional information)
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
Total Employees				

Name of Business Personnel,

signed on behalf of Giver

NRIC: _____

Signature/Date

Name of IPC Personnel,

signed on behalf of Beneficiary

NRIC: _____

Signature/Date

For Reference on how to fill in Form A / Form B

- Businesses can take references from guiding examples (trailing below) on how to fill in Declaration Form A and Form B.
- The footnotes are meant for illustrative purposes. Businesses can come to an agreement with IPCs on the level of details to provide for in Declaration Form A and B.

No.	Type of Services provided	Type of Expenditure	Expenditure incurred	Calculations/ cost basis/ other remarks
1	Paint IPC's premise <i>1 day event</i>	Volunteering activity incurred expenditure, e.g. paint, ladder, brush, rags, etc.	\$500	Actual cost incurred, with receipts
		Employees' basic wages, 3 pax, \$3,000/mth	\$409.10	= 1/22 working day ⁶ * \$3,000 * 3
2	Bring 15 wheelchair-bound elderly (above 60 years of age) on a trip to the Singapore Zoo on a weekday (non-public holiday) <i>1 day event</i>	Admission tickets - Complimentary admission for beneficiaries for 15 pax ⁷ - Adult admission tickets for 15 pax ⁸	\$396	= 15pax * 0.8 * \$33/ pax
		2-way transport costs from IPC to Singapore Zoo	\$600	= 1 hour * 2 way* \$60/bus/ hour * 5 minibus 5 minibus utilised (3 wheelchairs + 3 to 4 Caregivers per minibus)
		Employees' basic wages, 15 pax, \$3,500/mth	\$2386.36	= 15 pax * 1/22 working days * \$3,500

⁶ Pro-rated wage cost at 1/22 month

⁷ Only applicable to beneficiaries of selected programmes by VWOs as listed by The Singapore Zoo (<http://www.zoo.com.sg/assets/pdf/list-of-vwo-programmes.pdf>)

⁸ \$33 per ticket inclusive of GST, 20% discount on admission fees for each accompanying adult under "VWO Rates" scheme

No.	Type of Services provided	Type of Expenditure	Expenditure incurred	Calculations/ cost basis/ other remarks
3	Organise a one-day bowling competition for 50 handicapped beneficiaries on working day, during non-peak hours <i>1 day event</i> ⁹	Set-up of venue - Cost of booking 10 lanes for 5 hours, \$20/lane/hour ¹⁰ - Purchase and set-up of assistive devices, N.A if provided by Bowling Association for the Disabled - Purchase of 40 medals and 10 trophies, \$300 - Miscellaneous (decoration, music), \$100	\$1,400	= (5 hrs * 10 lanes * \$20/lane/hr) + \$300 + \$100
		Catered lunch for beneficiaries, 50 pax, \$8.80/pax ¹¹	\$440	= 50 pax * \$8.80/ pax
		Employees' basic wages, 20 pax, \$1000/mth	\$909.10	= 20 pax * 1/22 working days * \$1,000
		Transport charges from IPC to bowling alley	\$400	= 2 way * \$200/ bus 2 way 40-seater buses, \$200/bus ¹²
4	Provision of doctors and nurses to provide health screening services and health/nutritional consultation to IPCs <i>Sustained volunteerism (6 times a year; 3 hours each time)</i> ¹³	Transport charges from hospital to IPCs	\$720	= 1 hour * 2 way * \$60/bus/ hour * 6 times ¹⁴ 2- way transport of equipment for health screening and test samples
		Employees' basic wages - Doctor's wages, 3 pax, \$8,000/mth - Nurse's wages, 3 pax, \$3,500/mt	\$3528.40	= (3 pax * 3/8 hours * 1/22 month * 6 times * \$8,000) + (3 pax * 3/8 hours * 1/22 month * 6 times * \$3,500)

⁹ Other examples include, e.g. organising a donation drive to collect unwanted clothes/toys from the public to be given to an IPC

¹⁰ Procure services from <http://www.orchidbowl.com.sg/index.php/promotions/item/66-time-based-bowling>

¹¹ Procure services from [http://www.foodline.sg/catering/Yeh-Lai-Siang-Catering-Service/710-Buffer-\(70-pax\)/order](http://www.foodline.sg/catering/Yeh-Lai-Siang-Catering-Service/710-Buffer-(70-pax)/order)

¹² Procure services from <http://www.buschartersingapore.com/bus-charter-rates/>

No.	Type of Services provided	Type of Expenditure	Expenditure incurred	Calculations/ cost basis/ other remarks
5	Renovate the compound of an IPC <i>Note: tax deduction is not given to the entire cost incurred (as cost exceeded \$50,000 IPC cap)</i>	Construction materials cost	\$40,000	Actual cost incurred, see attached receipt
		Employees' basic wages - Interior designer's basic wages for 5 hours, 1 pax, \$4,300/month - Basic wages of construction workers, 8 pax, \$1,000/month	\$24,122.20	= (1 pax * 5/8 * 1/22 * 4,300) + (8 pax * 3 months * \$1,000)
6	Secondment of an accountant to an IPC for a year	Accountant's basic wages, 1 pax, \$4,000/mth	\$48,000	= 12 months * \$4,000
7	3 CFOs paint a building of an IPC <i>1 day event; general volunteering</i>	Volunteering activity incurred expenditure, e.g. paint, ladder, brush, rags, etc.	\$500	Actual cost incurred
		CFO's basic wages, \$100,000/mth	\$750	<i>Note: IPCs should apply a \$250/day/volunteer cap for each volunteer for general volunteering. In such case, the basic wage expenditure = \$250 * 3 pax = \$750</i>

¹³ Other examples include, e.g. financial advisors conduct weekly financial literacy classes, TCM physicians provide free acupuncture and other medical consultation services, provide transportation services to beneficiaries

¹⁴ Procure services from <http://www.silveray.com.sg/services.php>