

Getting Started

Benefits of Incorporating as a Charity in Singapore

Singapore is an ideal location for expanding or commencing philanthropic activities due to its continued political stability, strong rule of law and principled approach to corporate governance. Much like they would be in other countries, charities operating in Singapore are generally exempt from income tax and provided with other tax benefits if they meet applicable legal standards. Singapore is also a well-connected financial and logistics base from which to launch key activities into neighbouring countries in Asia, and there are policies in place to encourage and support international charitable organisations that would like to use Singapore as a base.

Legal Issues Involved

There are several different legal structures available to non-profit organisations under Singapore law. Once a legal structure has been chosen, non-profit organisations commencing operations in Singapore should apply to register as charities with the Commissioner of Charities, the arm of the Singaporean government that oversees charities. Depending on which legal structure your organisation adopts, your organisation will also be overseen by the Accounting and Corporate Regulatory Authority (“ACRA”), the Monetary Authority of Singapore (“MAS”) or the Registry of Societies (“ROS”). For certain tax matters, oversight also comes from the Inland Revenue Authority of Singapore (“IRAS”).

Although it is not illegal to continue operations if your application for charity registration is rejected, registration is required to be exempt from Singapore’s income or property tax and to conduct public fund-raising. Tax deductibility for donations (at two and a half times the amount given) is available to charities that also qualify as an Institutions of Public Character (“IPC”). Obtaining IPC status requires a separate application to the Commissioner of Charities and is judged by higher standards, such as requiring independent board members and following certain procedures for processing donations, commensurate with the nature of the tax benefits it provided.

If your organisation conducts activities that are only partially charitable or is a social enterprise, it may be wise to establish or join a business subsidiary. If your organisation is an international one expanding into Singapore, there are a few other rules and relevant considerations to take into account. Please consult Guidance on Regulation of International Charitable Organisations for more details.

Generally, the Charity Portal is a well-organised and comprehensive resource for reviewing all essential legal matters applicable to charities and IPCs. Applications for charity registration and IPC status can also be made directly through the Charity Portal. Private companies such as Guide Me Singapore and Rivkin also provide legal and practical information you may find useful.