

Tax Exemption Scheme for Donations to National Monuments in Singapore Guide



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The **Preservation of Sites and Monuments** (PSM) division¹ is the national authority on the preservation of National Monuments protected under the Preservation of Monuments Act (Cap. 239). Its roles and responsibilities cover 4 main areas:

- Planning and research to extend the knowledge of monuments;
- Regulatory support guiding the restoration, preservation and protection of monuments;
- Outreach to promote and stimulate public interest and support of monuments; and
- Advising the Government in matters relating to the preservation of monuments.

¹ Formerly the Preservation of Monuments Board (formed in 1971), PSM is now a division under the National Heritage Board.

PART I: ABOUT THE TAX EXEMPTION SCHEME

I.1 Introduction

Preserving National Monuments is an integral part of urban planning and the development of Singapore. National Monuments are preserved to safeguard them as enduring landmarks and as testimony of Singapore's unique, multi-ethnic and rich cultural heritage.

As of December 2018, 72 National Monuments of national importance and historic, cultural and architectural interest have been protected under the Preservation of Monuments Act. This list includes many religious and institutional buildings like mosques, churches, temples and buildings built by, or associated with, the early pioneers of Singapore.

The "Tax Exemption Scheme for Donations to National Monuments" ("TES"), was introduced by the Preservation of Sites and Monuments division ("PSM"), to help owners, trustees or management committees of eligible religious or community National Monuments raise funds for the restoration of their monuments, through incentivizing donors to give through issuing tax exemption receipts. Beyond restoration of the monument structure, TES support has been expanded to allow funds collected to be used to restore / construct existing or essential ancillary structures within the monument compound, establishment of heritage galleries and payment of lease renewals.

Donors who are Singaporean tax residents will receive Tax Exemptions at the prevailing rate as determined by the Inland Revenue Authority of Singapore at the time of donation.

I.2 Purpose of this Guide

This guide is to help eligible stakeholders understand:

- What TES can be used to fund;
- How to participate in TES;
- How to apply to use collected funds; and,
- How to get in touch with PSM if assistance is required.

I.3 Which National Monuments Qualify for TES?

Only National Monuments owned and managed by religious or community non-profit organizations are eligible to participate in the Tax Exemption Scheme.

Please see [Part 4](#) for the full list of Monuments eligible to participate in TES.

PART 2: QUALIFYING USES

2.1 General Principles and Supported Uses

Collected TES donations can be used in 3 main ways:

1. Restoration, of existing historical structures within the monument's gazette boundary and compound.
2. New construction for compliance with statutory regulations, including electrical, fire and environmental health compliance.
3. Payment of lease renewal to SLA, including TOL and long-term lease from land alienation.

The general principles governing what would qualify for funding under TES can be summarized as follows:

- It must benefit society at large beyond the immediate community of the monument.
- It must be infrastructural in nature – repairs, restoration and construction of structures, or retention of existing infrastructure through extension of lease rates for national monuments.

2.2 Non-Comprehensive List of Qualifying Works

Qualifying Works <input checked="" type="checkbox"/>	Non-Eligible Works <input checked="" type="checkbox"/>
Type 1: <u>Restoration</u> and <u>Repair</u> Works to Historic Structures in Compound (incl. Monument) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Roof <input checked="" type="checkbox"/> Facades <input checked="" type="checkbox"/> Walls <input checked="" type="checkbox"/> Original features/fixtures <input checked="" type="checkbox"/> Original ornamentation 	Type 1: Construction of <u>New Structures</u> to serve as enhancements to existing facilities. <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Marriage Halls <input checked="" type="checkbox"/> New chapel <input checked="" type="checkbox"/> Covered Linkways <input checked="" type="checkbox"/> Car Parking Spaces <input checked="" type="checkbox"/> Basement activity areas <input checked="" type="checkbox"/> New community spaces
Type 2: Construction of <u>New Amenities for Regulatory Compliance</u> that are not eligible for grants from other agencies. <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Toilet blocks (if no existing / existing non-compliant) <input checked="" type="checkbox"/> Kitchens (if no existing kitchen, and food handling occurs periodically) 	Type 2: Construction of New Amenities that are <u>non-essential upgrades</u> , are not <u>required for compliance purposes</u> , or are <u>eligible for grants from other agencies</u> . <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Lifts² <input checked="" type="checkbox"/> Parking space <input checked="" type="checkbox"/> Basement activity areas

² Actual lift works are not supported under TES, as BCA's Accessibility Fund

<p>Type 3: Mechanical and Electrical Works (<u>Compliance and Safety</u>)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Electrical installation <input checked="" type="checkbox"/> Fire protection <input checked="" type="checkbox"/> Lightning protection <input checked="" type="checkbox"/> Water and sanitary works <input checked="" type="checkbox"/> Security surveillance devices 	<p>Type 3: Mechanical and Electrical Works (<u>Enhancements³</u>)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Air conditioning <input checked="" type="checkbox"/> Fans <input checked="" type="checkbox"/> Light fittings <input checked="" type="checkbox"/> AV Equipment
<p>Type 4: Services (<u>Specialist Building Services</u>)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> All Consultancies (Quantity Surveyor, Architect, Engineers, Conservation Consultant, etc.) <input checked="" type="checkbox"/> Painter <input checked="" type="checkbox"/> Specialist Works (sculptors, stained glass restorers, <input checked="" type="checkbox"/> Investigative Works (incl. Lab Cost) 	<p>Type 4: Services (<u>General Services</u>)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> General Housekeeping <input checked="" type="checkbox"/> Landscape Contractor <input checked="" type="checkbox"/> Accountant

* Please note that the works listed above are not exhaustive, and monuments may submit applications appealing for non-listed works, which will be considered by PSM on a case-by-case basis.

Should Monument Owners be uncertain about whether the works they are looking at doing can qualify for TES support, PSM encourages Monument Owners to get in touch and discuss the matter with PSM.

2.3 Lease Renewal at National Monuments

Monuments may use their collected donations to pay for lease renewals. These include payments to SLA for the following:

1. Renewal of Temporary Occupation Licences
2. Renewal of long term leases (30-year leases)

The process for application is discussed in [Section 3.4](#).

³ Monument Owners must consult PSM on such enhancements.

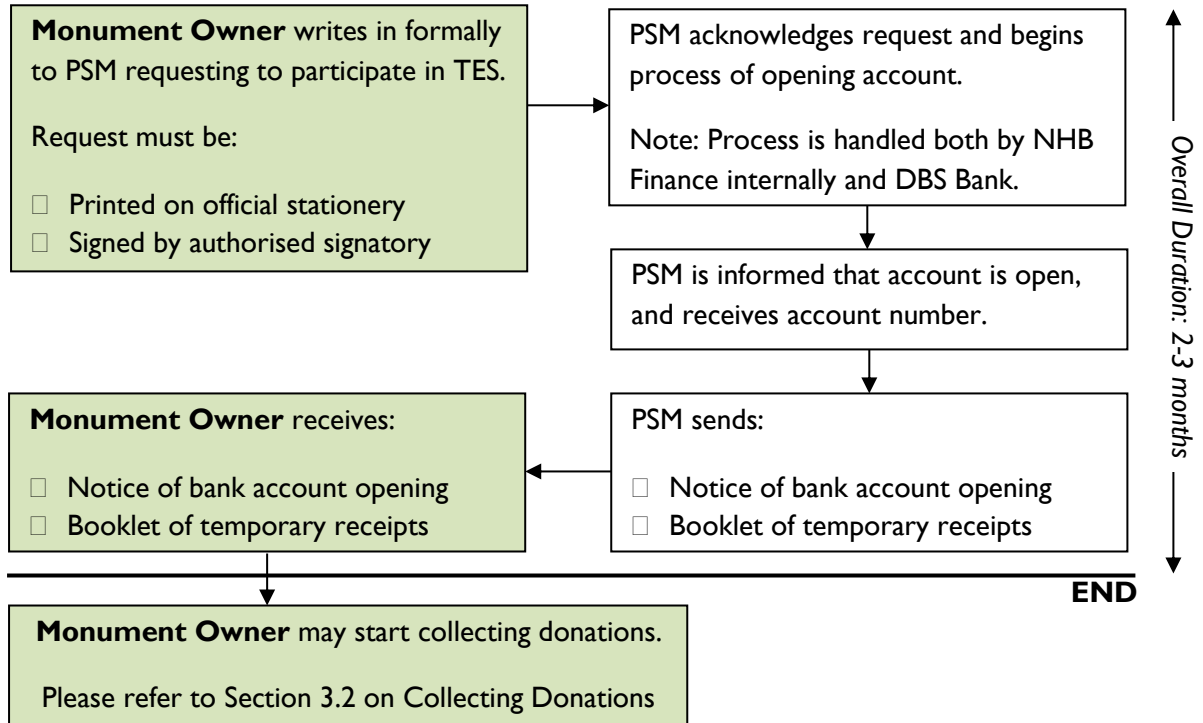
PART 3: PARTICIPATING IN THE TAX EXEMPTION SCHEME

3.1 Opening a TES Account

Monument owners, trustees or management committees wishing to participate in the scheme should:

1. Write to PSM indicating:
 - a. interest to participate in TES; and
 - b. acknowledging intention to carry out restoration work to their monument.
2. PSM will acknowledge receipt of the expression of interest, and begin the process of opening a TES bank account. This can take between 2 and 3 months.
3. PSM will inform monument owners once the bank account is open by:
 - a. Sending an email and formal letter stating the bank account details; and,
 - b. Sending a booklet of temporary receipts with the formal letter.
4. Monument owners may only begin collecting donations when the letter and booklet of temporary receipts has been received.

TES Account Opening Workflow



3.2 Collecting and Managing Donations

Monument stakeholders are in charge of fund-raising for their restoration works once a TES account has been opened.

As donations collected attract tax deductions (which PSM will assist in issuing), monument owners must comply with the conditions below when fund-raising.

Collection Methods

Monument stakeholders should advise their donors to donate using the following methods:

1. Cash
2. Cheque
3. Bank Transfer
4. PayNow

Submission of Documents to PSM

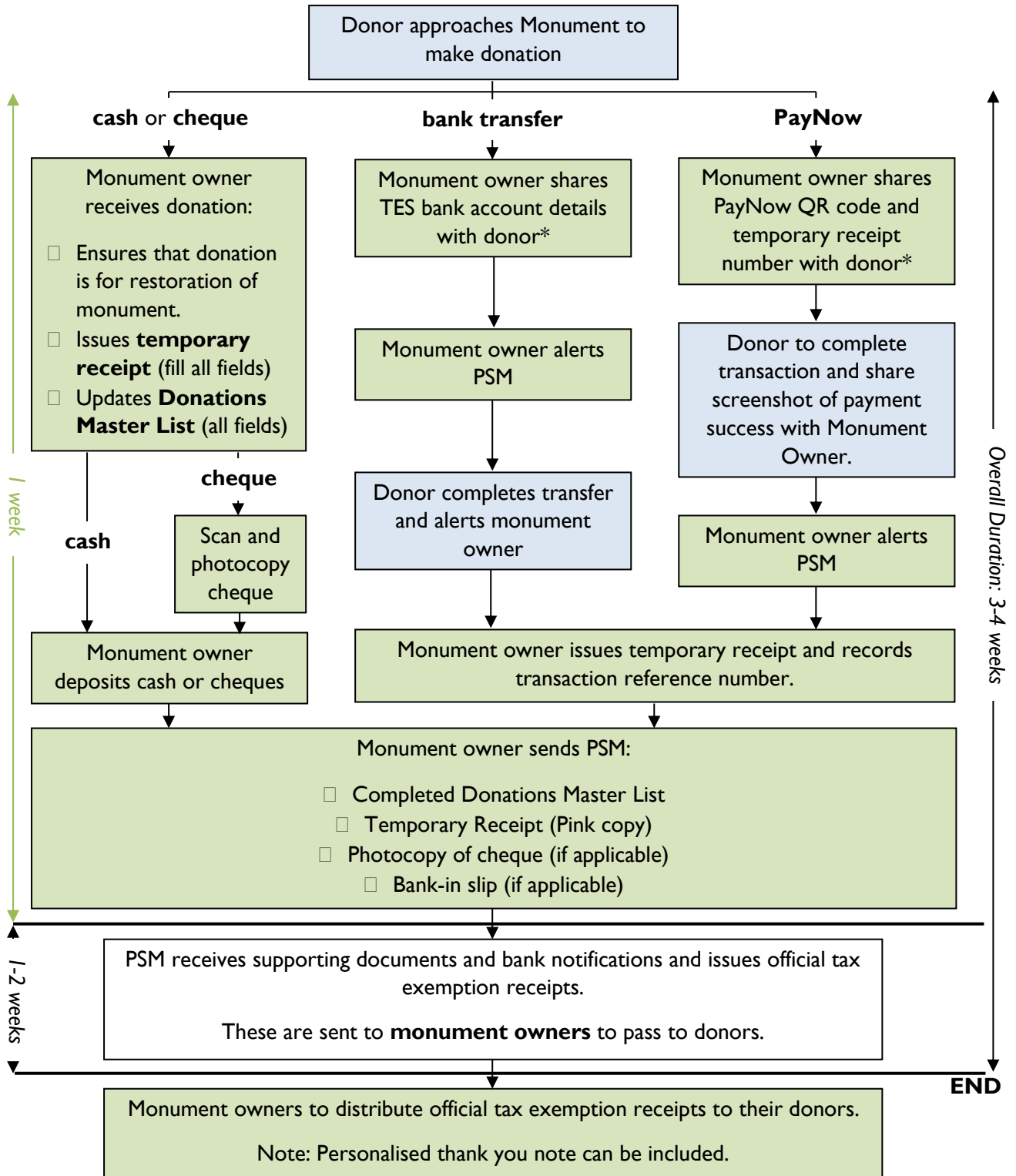
Monument stakeholders must complete and submit documentation for PSM's verification and records, to allow the issuance of an official tax exemption receipt, as in the table below:

Document	Information	Collection Method			
		Cash	Cheque	Transfer	PayNow
Bank in Slip	N/A	Optional	Optional	N/A	N/A
Copy of Cheque	N/A	N/A	Required	N/A	N/A
Temporary Receipt	Donor Details (Name, NRIC, Address)	Required	Required	Required	Required
	Donation Amount	Required	Required	Required	Required
	Donation Purpose	Required	Required	Required	Required
	Donation Date	Required	Required	Required	Required
	Receiver's Signature	Required	Required	Required	Required
	Cheque Number	N/A	Required	N/A	N/A
	Transaction Reference No.	N/A	N/A	Required	N/A
	PayNow Proxy Name	N/A	N/A	N/A	Required
Donations Master List	Donor Details (Name, NRIC, Address)	Required	Required	Required	Required
	Donation Amount	Required	Required	Required	Required
	Donation Method	Required	Required	Required	Required
	Donation Date	Required	Required	Required	Required
	Cheque Number	N/A	Required	N/A	N/A
	Transaction Reference No.	N/A	N/A	Required	N/A
		PayNow Proxy Name	N/A	N/A	N/A

To assist in the timely issuance of official Tax Exemption Receipts, the above documents and information should be submitted to PSM within two weeks of donation date.

Stakeholders should also inform donors that cash or cheque donations must be received and banked in by 27 December to receive tax deductions for the current assessable year

Donations Management Flowchart



*Note: TES Bank Account details and QR Codes for PayNow transfers should only be shared with donors who have expressed interest in making their donation via bank transfer.

3.3 Using Collected Donations to Fund Restoration and Construction Works.

Applicants to use collected TES donations to fund restoration and construction works can be done either:

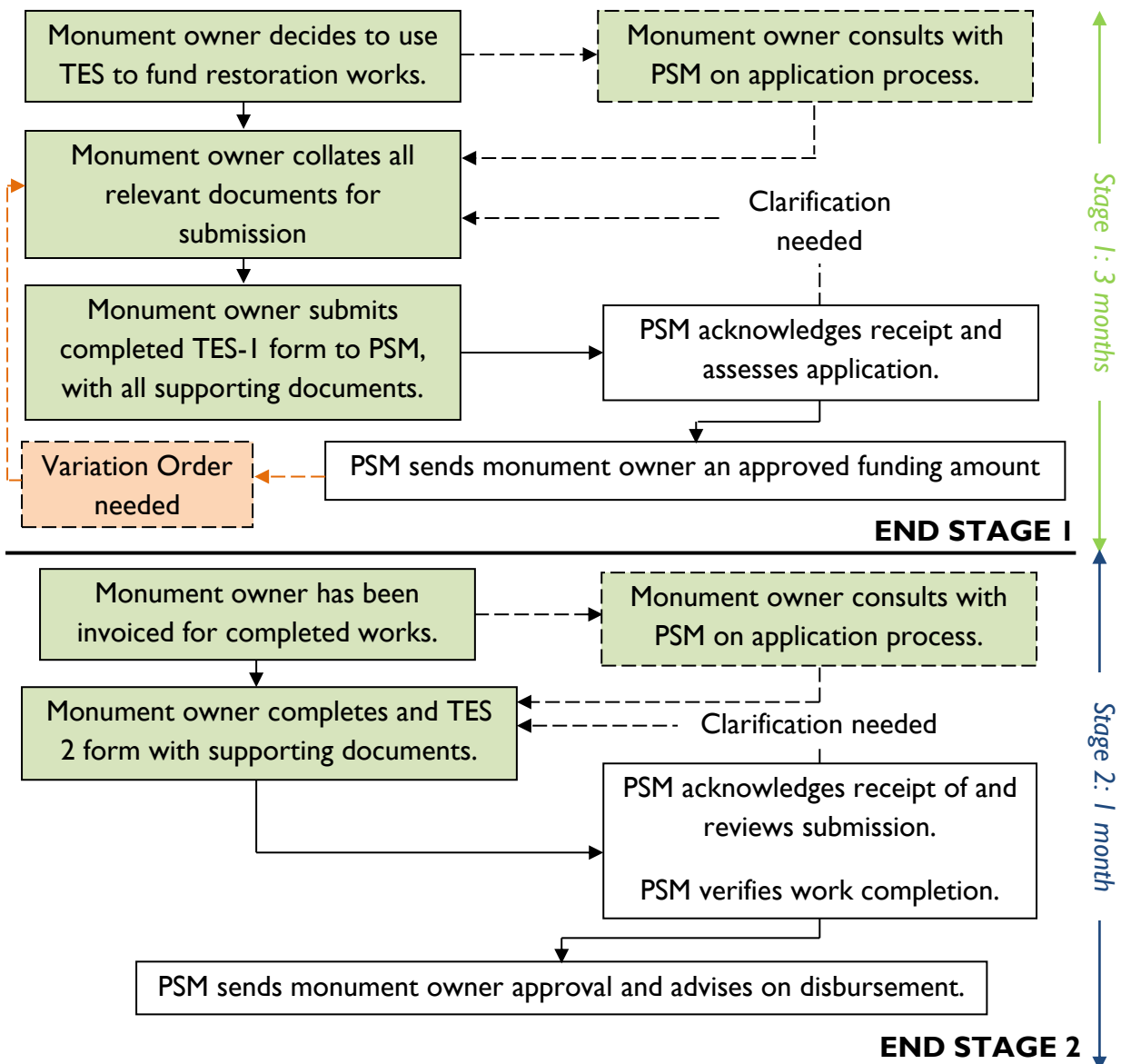
1. Before/During Works (Progressive Payments)
2. After Completion of Works (Single Payment)

Applying to use TES Before / During Works (TES)

Applications to fund works progressively goes through two stages:

1. **Stage 1: Funding Approval (TES 1 Form)**
2. **Stage 2: Disbursement Application (TES 2 Form)**

Application Process to Use Collected Donations (Before / Concurrently with Works)



Stage 1: Funding Application (TES 1)

TES 1 applications are used for monument owners to seek PSM's approval to fund proposed eligible restoration works using TES donations.

The TES 1 Submission determines:

- The maximum amount that can be claimed for the proposed works.
- The scope of the works that can be claimed for.

It **does not** indicate:

- The amount of money that will be disbursed.

Stage 1(a): Variation Orders (TES VO)

A Variation Order (VO) must be submitted to seek funding approval for works that had not received under the TES 1 funding application, but that the monument owner might wish to fund using TES donations.

The VO process is identical to that of TES 1, though will use the VO worksheet in the TES Application Form (Progressive Payment) workbook.

Stage 2: Disbursement Application (TES 2)

TES operates on a reimbursement basis, meaning funds will only be disbursed for actual costs incurred for restoration work approved in the TES 1 Submission.

TES 2 Submissions determine:

- The amount of donation funds being withdrawn to reimburse the Monument Owners for actual costs incurred.

However:

- The maximum that can be withdrawn is, whichever is lower of the following:
 - Remaining balance in Monument's PMF-Account; or,
 - Balance of funds approved in the TES 1 Submission

Important:

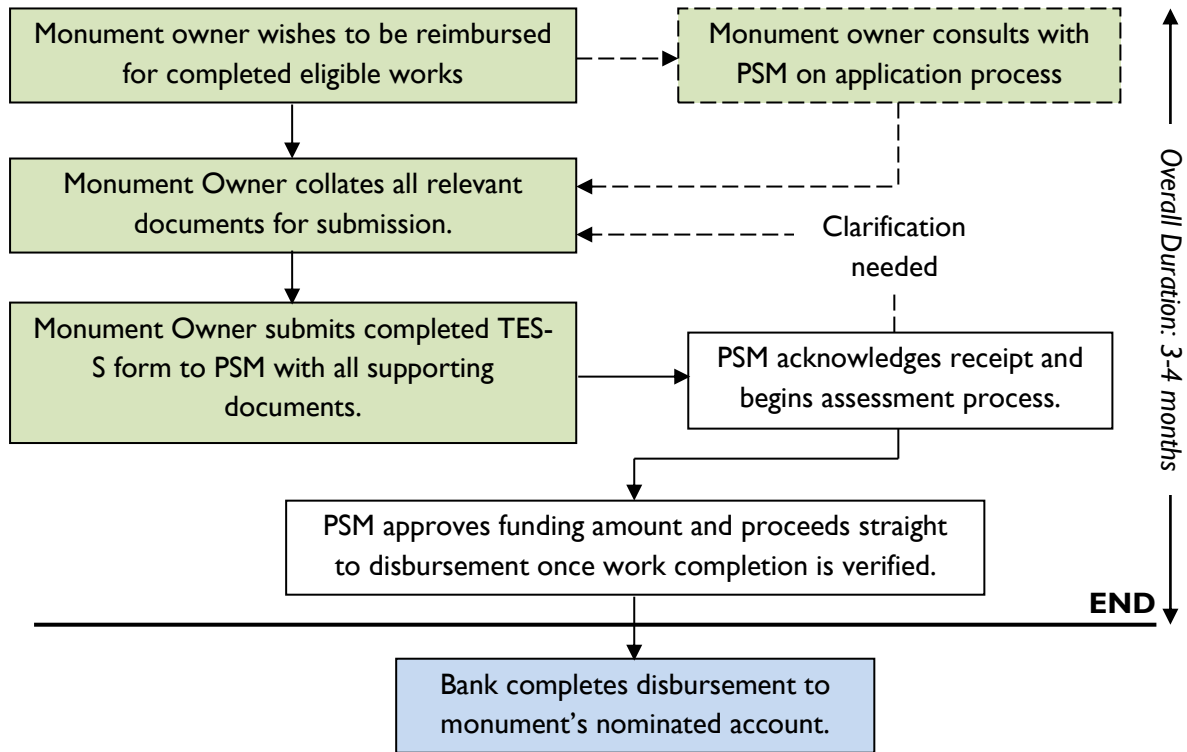
Disbursement is subject to verification of completion of approved works by PSM.

Applying to use TES After Completion of Works (TES R)

Monument owners may apply to use TES to seek reimbursement for completed, fully invoiced and paid for restoration works.

In these cases, the TES R process should be used.

Application Process to Use Collected Donations (After Completion and Invoicing for Works)



TES R Application Process

TES R is streamlined version of the TES process to allow applicants who have completed and paid for restoration works to be reimbursed for expenses using a one-stage process.

TES-S Applications determine:

- Approved amount funded under TES
- Amount to be disbursed under TES
- Works that TES will support

However:

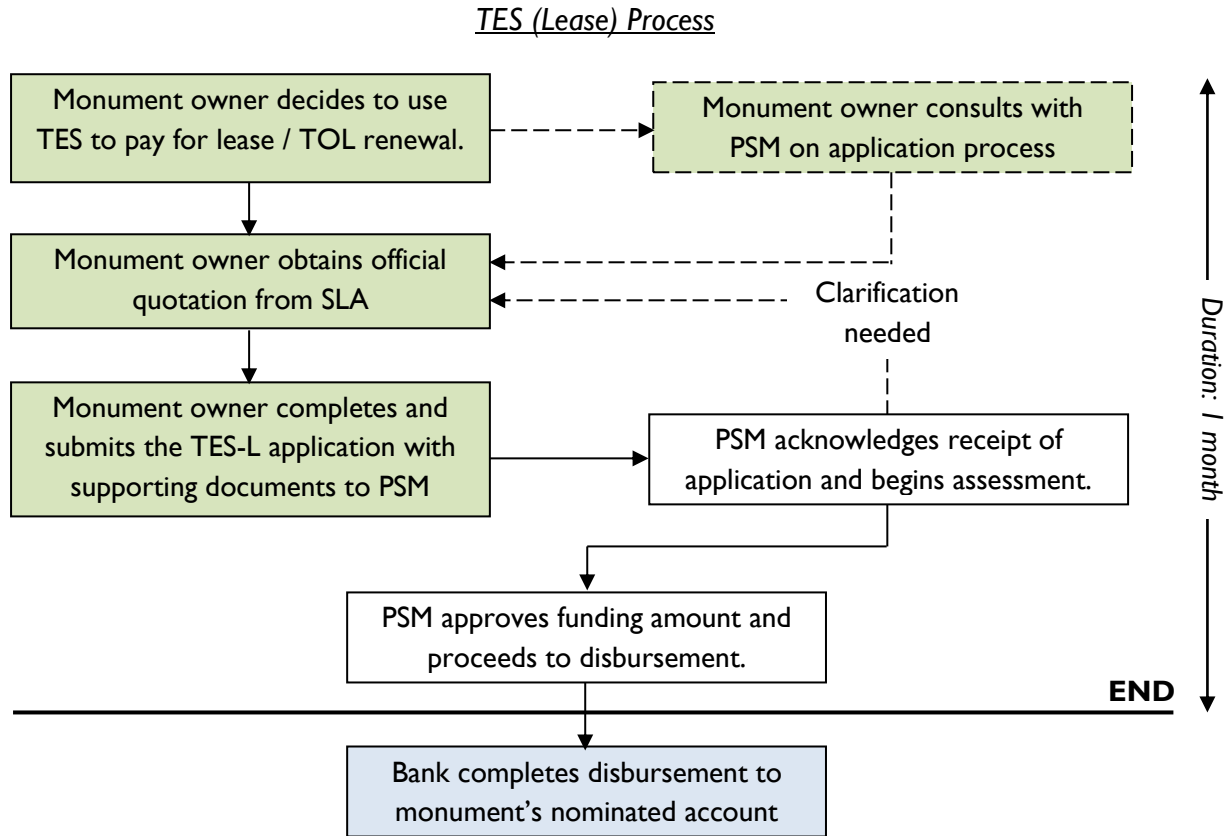
- No Variations can be submitted under TES-S

Important:

- ! Disbursement is subject to verification of completion of approved works by PSM
- ! Invoices for completed works are only valid for 3 years from issue date.

3.4 Using Collected Donations to Fund Lease Renewals (TES L)

Approval and use of donations to fund lease renewals is a simple, single stage process, as shown in the flowchart below:



TES L Application Process

The TES L form is used for lease extensions and can be applied for retroactively. Please notes that only the following supporting documents can be considered for TES L

- Official Quotation for Lease Renewal from SLA; **OR**
- Invoice for Lease Payment from SLA

Other documents, including private valuations from property agents, are not acceptable for TES L claims.

Important:

- ! Invoices, as with the case for TES applications for works, have a maximum validity of 3 years.
- ! TES L cannot be used to fund leases for properties that do not include the monument.

3.5 TES Application Forms

There are three main sets of TES forms:

1. TES Forms for Ongoing Works
2. TES Forms for Completed Works
3. TES Forms for Lease Renewal

All TES Forms are downloadable at:

<https://www.nhb.gov.sg/what-we-do/our-work/preserve-our-stories-treasures-and-places/national-monuments-and-made-historic-sites/preservation-of-sites-and-monuments/upkeep/tax-exemption-scheme>

Using the TES Forms

While all the TES forms are now designed in Excel, and meant to be submitted both in hard and soft copy, the forms themselves are designed to be user friendly and interactive. Users only need the following to use these forms:

- Basic computer skills
- A computer with Microsoft Excel

Users should not be worried about:

- Having no knowledge of using Excel
- Having to carefully consider required supporting documents

All TES Forms are designed to prompt users for input through highlighting cells in the Excel workbooks. Users need only follow the steps below:

1. Read instructions on TES forms
2. Select first cell highlighted in **yellow** and start to type.
3. Input user password “**tesuser**” when requested.
4. Continue filling up all cells highlighted in **yellow**.
5. When completed, the TES forms should have no cells highlighted in **yellow** or **red**.

Note:

Iterative calculations must be turned on. Do this by going to “File” > “Options” > “Formulas” then check the “Enable iterative calculation” checkbox.

Important:

- ! Please ensure that you have read the declarations carefully before acknowledging in the checkboxes.
- ! Please note that all declarations made are legally binding.

3.6 Disclosure of Information

PSM administers public funds, and believes it is important to provide the public with as much information as possible about the grants PSM gives and their uses. This is in line with our commitment to openness in the public sector.

PART 4: LIST OF ELIGIBLE NATIONAL MONUMENTS

(Correct as of December 2018)

1. Abdul Gafoor Mosque
2. Al-Abrar Mosque
3. Alkaff Upper Serangoon Mosque
4. Armenian Church of St Gregory the Illuminator
5. Cathedral of the Good Shepherd
6. Chesed-El Synagogue
7. Church of Our Lady of Lourdes
8. Church of the Nativity of the Blessed Virgin Mary
9. Church of Sts Peter and Paul
10. Church of St Teresa
11. Hajjah Fatimah Mosque
12. Hong San See
13. Jamae Mosque
14. Lian Shan Shuang Lin Monastery
15. Maghain Aboth Synagogue
16. Nagore Dargah Indian Muslim Heritage Centre
17. Prinsep Street Presbyterian Church
18. Singapore Yu Huang Gong (Former Keng Teck Whay Building)
19. Sri Mariamman Temple
20. Sri Srinivasa Perumal Temple
21. Sri Thendayuthapani Temple
22. St Andrew's Cathedral
23. St George's Church
24. St Joseph's Church
25. Sultan Mosque
26. Tan Si Chong Su
27. Telok Ayer Chinese Methodist Church
28. Thian Hock Keng (including Chong Wen Ge)
29. Tou Mu Kung
30. Ying Fo Fui Kun
31. Yueh Hai Ching Temple

PART 5: GETTING IN TOUCH

If you require any clarification at all about TES generally, do feel free to contact us at:

Preservation of Sites and Monuments

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