

# Change for Charity FAQs

Updated as at 1 April 2024

## **Overview of Change For Charity (CFC)**

### **1. What is CFC?**

The **Change for Charity** initiative is launched by Community Chest to encourage Singaporeans to give through spontaneous acts. In this initiative, Community Chest is looking to partner businesses to weave a giving mechanism into their business models. By doing so, we provide opportunities for individuals to give through our partners' payment platforms. By increasing opportunities for consumption-based giving at various touchpoints, we can build generosity where donating becomes a social norm, infused in all aspects of living. Through Change for Charity, we hope to create a national movement that will make giving a part of everyday life for Singaporeans.

### **2. How is consumption-based giving defined under the CFC initiative?**

To qualify as consumption-based giving, the giving capabilities introduced need to:

- (i) translate to monetary donations
- (ii) take place on the business' platform and;
- (iii) donations need to be made by individual customers.

### **3. How can businesses contribute to consumption-based giving?**

Some scenarios that businesses can weave giving mechanisms into their business models include:

- Subscription-based giving – Providing donation options on subscription-based services.
- Donating full/partial proceeds – Donating a percentage of revenue from sales of products or services.
- Redemption of rewards – Facilitating conversion of loyalty points or rewards into cash donations.
- Giving during payment checkout – Providing a channel / platform for small and spontaneous acts of giving to be made by individuals at the point of purchase through a round-up mechanism, or by providing the option to donate.

### **4. What is the CFC Grant?**

The CFC Grant was set up to encourage individuals to give as part of their daily lives through consumption transactions. The Grant also aims to encourage businesses to match donations from their customers, as part of their corporate giving.

### **5. How will a business be eligible for the CFC Grant?**

A business is eligible for the Grant if it:

- a. Offers Business-to-Consumer (B2C) services; and
- b. Incorporates giving opportunities into the business models that allow its customers to make donations e.g. at the point of customers' transactions.

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### 6. Are Public Agencies eligible for the CFC Grant?

Public agencies that meet the criteria (outlined within Q5) are eligible to come on-board the CFC initiative. They will be able to implement consumption-based giving to their customers and be eligible for the Matching Grant but will not be eligible to apply for the Enabler Grant. See Q8 for more details on the CFC Grant.

### Multiplying impact through the Change for Charity Grant

### 7. What is the difference between the Default Matching Grant, Enhanced Matching Grant and the Enabler Grant?

| Grant types             | Details   | Cap amount   |
|-------------------------|---|--|
| Default Matching Grant  | <b>Consumers donate through the business platform</b><br><br>Government will match \$0.50 for every dollar donated by consumers through participating businesses' payment platforms   | \$25,000 per business per year   |
| Enhanced Matching Grant | <b>Consumers donate through the business platform <u>and</u> business provide a corporate matching to the consumers' donation</b><br><br>Government will match <u>an additional</u> \$0.50 under the Enhanced Matching Grant. | \$25,000 per business per year or the amount the business matches, whichever is lower. |
| Enabler Grant           | <b>One-off grant that funds 50% of incurred costs</b><br><br>Businesses that incorporate giving opportunities on their payment platforms may also apply for a one-off Enabler Grant.  | \$10,000 per business  |

### 8. What can the Enabler Grant be used for?

A business can claim for expenses from activities that aim to build greater awareness for the Change for Charity initiative among customers, or encourage customers to give towards Community Chest, limited to:

- 1) Technological additions/enhancements on platforms such as website, app, point-of-sale (POS) system.
- 2) Marketing materials (digital/print) that promote the CFC initiative.
- 3) Training-related costs (capped at \$2,000 per business).

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### 9. What sort of training related costs are claimable under the Enabler Grant?

A business may claim for absentee payroll, where the grant will co-fund 50% of the business's hourly basic salary capped at \$4.50<sup>1</sup>/hour per pax. More details can be found [here](#).

### 10. When can businesses apply for the Enabler Grant?

Businesses can apply for the Enabler Grant 6 months after the consumption-based giving mechanism has been implemented on their platforms.

### 11. What happens if a business would like to make a claim from 2 separate vendors? E.g. one for e-commerce and another for retail POS

Businesses will be allowed to make multiple claims per UEN, as long as it does not exceed the cap of \$10,000 and costs incurred are within the parameters of the Enabler Grant.

### 12. How many times can a business apply for the various grants?

All businesses are entitled for the Default Matching Grant and Enhanced Matching Grant, as long as they come onboard the initiative from now to October 2027.

They will be eligible for up to 2 years of matching, starting from the year of implementation.

A business can only apply once for the Enabler Grant, capped at \$10,000 per business (multiple receipts allowed, refer to Q10). Kindly note that all claims for Enabler Grant will conclude in Financial Year 2026.

*Scenario 1: A business comes on board in December 2024 – They will have until March 2027 to utilise the Enabler Grant, and will be eligible for 2 years of the Default and Enhanced Matching Grant up till November 2026.*

*Scenario 2: A business comes on board in December 2026 – They will have until March 2027 to utilise the Enabler Grant, and will be eligible for less than 2 years of the Default and Enhanced Matching Grant up till March 2028.*

### 13. Will businesses be allowed to do retrospective claims on their consumption-based giving platform?

Retrospective claims are not allowed. However, businesses with existing giving platforms may still apply for the Enabler Grant as long as there are new investments made on their platforms to enable giving from consumers to

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<sup>1</sup> The hourly basic salary cap of \$4.50/hour per pax is based on the Absentee Payroll Framework.

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Community Chest between Financial Year 2024 (starting April 2024) and Financial Year 2027 (to March 2028).

### **14. Why do the donations and matching funds under the CFC initiative go only to Community Chest?**

Community Chest is the philanthropy and engagement arm of the National Council of Social Service and plays an integral role in fund-raising for the social service sector and critical programmes supporting the vulnerable within our community. Community Chest supports over 100 social service agencies and over 200 programmes across five causes: adults with disabilities, children with special needs and youth-at-risk, families and seniors in need of support, and persons with mental health conditions.

## **Fundraising Guidelines and Fundraising Permit**

### **15. When will a business require a Fundraising Permit?**

A business will require a fundraising Permit if:

- There is a collection made through an appeal to the public or any class of the public;
- The appeal is made through house-to-house visits or of soliciting in streets and/or other public places; and
- A person is engaged by the business to promote the initiative or collect donations.

### **16. How does a business that is implementing the CFC initiative apply for a Fundraising Permit?**

In the event that a fundraising permit is required, Community Chest will apply for the fundraising permit on behalf of the business. To do so, the business will need to submit details of their initiative and fundraising mechanism to Community Chest at least 2 weeks before the date of implementation.

The business should also take note of the guidelines and obligations set out in Q17 and Q18.

### **17. What are the general codes of practices that a business should adhere to when carrying out fundraising?**

The business shall adhere to the practices and standards as laid out in the Code of Practice ("**Code**") and all applicable laws. The three core guiding principles that a business should adhere to are namely (i) Legitimacy, (ii) Accountability, and (iii) Transparency.

#### **i. Legitimacy**

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- The business must ensure that collections were not made with any force, threat or compulsion;
- Purpose of collection must not be illegal, fictitious or objectionable on grounds of public policy;
- The business must furnish accurate information to Community Chest or any other relevant authorities when required;
- Any information provided to donors or to the general public is accurate and not misleading.

### ii. Accountability

- The business must publish true accounts of all money collected and paid;
- Information relating to donors is kept confidential. No information relating to a donor should be given to any other person without the consent of the donor.

### iii. Transparency

- The business must not display any other badges or certificate of authority except the ones previously agreed upon with Community Chest (e.g. CFC typography and Community Chest logo).
- The business should disclose that Community Chest is the beneficiary for all funds raised through the Change for Charity initiative.

## **18. Where can I find the guidelines/rules that the business will need to adhere to after obtaining the Fundraising Permit from Community Chest?**

All businesses must fundraise in an appropriate and responsible manner. In addition to the codes of practices listed in Q16 above, please find the links to the respective governing acts and regulations as follows:

- [Charities Act](#)
- [HHSC Act](#)
- [Protection from Harassment Act \(POHA\)](#)
- [Latest Covid-19 Regulations](#)
- [Singapore Code of Advertising Practice](#)

As well as all other industry-based legislations and regulations (e.g. [Sales of Food Act](#), [Liquor Control \(Supply and Consumption\) Act](#), [Singapore Code of Advertising Practice](#), [Fair and Balanced Advertising and Other Advertising Restriction](#) etc)

Please note that the list above is non-exhaustive and subject to prevailing applicable requirements which may be amended from time to time.

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### Designation of Donations

#### **19. Can businesses designate the donations raised on their platforms?**

The donations raised by customers and/or matched by the Government under CFC will go towards supporting Community Chest's funded programmes. Businesses will only be allowed to designate the amount that they choose to match, but not what has been raised through customers and/ or matched by the Government.

### Tax Deductions

#### **20. Will businesses or individuals receive tax deductions for donations made via the consumption-based giving model?**

This will be subject to the respective consumption-based giving mechanism adopted by each business.

| <b>S/No</b> | <b>Consumption-based giving Mechanism</b>                     | <b>Treatment for Tax Deductions</b>   |
|-------------|---|---|
| 1.          | Giving during payment checkout – Rounding up of bills         | Individuals will be eligible for 250% tax deductions*, subject to the necessary personal details being collected at the point of transaction. |
| 2.          | Giving during payment Checkout – Purchase of charitable items | Individuals will not be eligible for tax deductions as these transactions are non-cash donations (one gets an item in return for donating).   |
| 3.          | Donating Full/Partial Proceeds to Charity                     | The business will be eligible for tax deductions* as the donation will be made from the business' sales proceeds.                             |
| 4.          | Redemption of Rewards   | Individuals will be eligible for tax deductions* as long as the necessary personal details are provided to Community Chest.                   |
| 5.          | Subscription-based Giving                                     |   |

\*Donations remitted to Community Chest by 31 December of the Year of Assessment will qualify for tax deduction, provided that the relevant information of the donors are provided to Community Chest for submission to the Inland Revenue Authority of Singapore.