

Tax exemption for CHILDREN – UA

Dear Mr Imhof

With regards to your letter from December 12th 2009, as well as of our audit of your documents, we confirm that the organisation Children-UA fulfills the requirements based on the legal regulations (66 lit. f StG and Art 56 Bst g DBG).

This tax exemption will be acknowledged for the cantonal taxes as well as for the direct federal taxes (the tax exemption excludes “Grundstückgewinnsteuern” and is only applicable on estate tax if an estate is not rented to someone but directly utilized for a nonprofit or public purpose).

Further we advise you, that donations to the organisation in the minimum amount of CHF 100.00 / per year can be deducted from direct federal taxes based on the legal regulations (33 lit. b and 70 lit c STG resp. Art 33 a DBG and Art 59 Bst c DBG).

The deductibility is delimited of 20% of the assessable income (reduced with the costs as per 27-32 StG and Art. 26-33 DBG) resp. 20 % of the assessable profit.

Despite the tax exemption, Children-UA has to fill out a tax declaration form (questionnaire) every two years. In case of failing to this obligation, the tax exemption can be abstracted.

Changes in terms of the constitution or new regulations have to be announced to the tax office.

Should time tell that the organization is not fulfilling the constitutional duties, the tax exemption will be retroactively detracted. We have to add this retention even though we have as per today no reason to doubt the fulfilling of the constitutional duties.

Kind regards
Tax office Basel Stadt

Peter Stebler