

Corporate Donation: Lucro Real Tax Incentive in Brazil

About Us

Fundação St. Paul's is a non-profit organization, designated as a Civil Society Organization of Public Interest (OSCIP, as per its initials in Portuguese) under Law 9.790/99, Ministry of Justice file no. 08071.0000389/2004/01, Corporate Taxpayer Registration No. 09.624.241/0001-86. A donation receipt can be issued for donations made in reals. The donor must request their receipt directly from St. Paul's Foundation. Since we are an OSCIP, tax incentives are only awarded to businesses taxed on their profits. These businesses can deduct the cost of donations up to 2% of their operating profit.

The requirements for deductibility are in the following laws:

- Law: nº 9.429/95, art. 13, inciso III, alínea "c"
- Law: nº 13.019, de 31 de julho de 2014
- Law: nº 9.790, de 23 de março de 1999
- The exemption from the formal recognition of the charitable entity as a Civil Society Organization of Public Interest (OSCIP) for the enjoyment of deductibility by the donor is in Solução de Consulta Cosit nº 110 de 2018 da SRFB

Therefore, the required documents are: the St. Paul's Foundation by-law, the 'Declaração de Recebimento de Recursos por Doação' form, and the Donation Receipt. All provided by the St. Paul's Foundation.

Simulation of Donation by Legal Entity (Lucro Real)

	Without Donation	With Donation
Revenue	R\$ 10.000.000,00	R\$ 10.000.000,00
Donation	-	(R\$ 200.000,00)
EBITDA	R\$ 10.000.000,00	R\$ 9.800.000,00
Income taxes (34%)	(R\$ 3.400.000,00)	(R\$ 3.332.000,00)
Net profit	R\$ 6.600.000,00	R\$ 6.468.000,00