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**Regulation for donations collection system for charitable purposes as amended, No. 1 of 1957 published in page 2 of the official gazette issue no. 1311 dated 01.01.1957
Issued by virtue of article 4 of the Ministry of Social Affairs and Labor Law, as amended, No. 14 of 1956.**

ARTICLE (1):

This regulation is cited “Regulation for Collection of Donations for Charitable Purposes 1957” and is applicable as of the date of publication in the official gazette.

ARTICLE (2):

No charitable association or social foundation is allowed to collect donations for charitable purposes except under the following conditions:

1. To be registered with the Ministry.
2. To submit a request to the Ministry of Social Affairs no less than one month before the intended collection date and the Ministry has to decide on the request by acceptance or rejection in no more than three weeks of request reception date.
3. The request shall state the collection method, period, place and purpose.

ARTICLE (3):

The Ministry shall notify the association or foundation by its decision approving or rejecting the request and shall also notify competent administrative bodies.

ARTICLE (4):

Before deciding in the license, the opinion of authorities and ministries related to the activity of the association or foundation should be sought along with studying the proposed activities and the financial status.

ARTICLE (5):

For licensing collection of donations to be spent for charities outside the Kingdom, the following is conditional:

1. Donations shall be collected by an authority registered in the Ministry or a temporary committee which articles of association are approved by the Ministry.
2. To submit an evidence that the donations to be collected will be spent for charity abroad.
3. To obtain a license from the Ministry of Finance allowing sending abroad collected donations (cash or in kind).

ARTICLE (6):

Rules mentioned in above article shall be applicable even if the entity collecting donations for charity is having a political dimension. In this case, the opinion of relevant ministries shall be sought.

ARTICLE (7):

Students of institutes are not allowed to collect donations unless the relevant institute bears responsibility for this behavior and activities in charitable and financial aspects. The purpose of collection and those responsible for it shall be stated in writing.

ARTICLE (8);

No entity shall be licensed to collect donations more than two times a year. Collected funds should be deposited with a bank directly after completion of the collection process and the Ministry shall be notified by the collection result and date of deposition.

ARTICLE (9):

Entities working in more than one area of the Kingdom are exempted from previous article provisions and they may be licensed to collect donations more than twice a year.

ARTICLE (10):

No license shall be granted to collect donations by registered entities except under purposes mentioned in the articles of associations. No license shall be granted to registered or unregistered entities or individuals except if the purpose of collection is the public benefit or charity. No licenses shall be granted for purposes aiming at serving certain individuals or group.

ARTICLE (11):

Collected funds shall not be used for any purpose other than the purpose stated for collection. The following is conditional:

- a. Funds collection purpose may not be changed without ministry's approval.
- b. License conditions may be modified by approval of the Ministry in terms of timing, location, collection ways...etc. In both cases, the modification shall be approved by the board of the entity that collected funds then the Ministry's approval shall be sought.
- c. With the exception of funds collected to build, repair or furnish mosques and churches, the following portions of net collected funds shall be allocated for the benefit of charitable associations in the province:
 1. 5% of collected funds by charitable associations under the province federations.
 2. 10% of collected funds by other associations and entities.

This article became like this after abolishing its previous text and replacing it with the current text pursuant to the amended regulation no. 103 of 1963. The previous text was as follows: "collected funds may be used only for the purposes they were collected for. The Ministry shall approve any change in these purposes. Every modification in the license in terms of collection timing, location or means should be approved first by the board of directors and then the ministry's approval should be sought.

ARTICLE (12):

Licensed entities, organizations or groups shall inform the ministry about the collection sum, components, revenues and expenditures and all this should be supported by documents within two weeks as of the end of collection period.

ARTICLE (13):

The licensed entity to collect donations shall follow the following procedures and collection methods:

First: locked boxes:

1. Determine collection period, place and starting date.
2. The Ministry shall define the number of boxes according to the activity of the association and purposes of collection.

3. Funds should be collected in boxes prepared following the specifications and types approved by the ministry.
4. The outer side of the box should contain data decided by the Ministry including association name, license number, box number, dates of starting and closing collection and should be stamped by the association.
5. A committee from members of the association board shall be formed to supervise the collection process. The Ministry shall be informed by this formation.
6. Boxes shall be delivered to the association in sealed condition stamped by the ministry stamp with handover minutes to be signed by representatives of the association and the ministry.
7. The association shall be responsible for the maintenance of boxes until they are opened.
8. Boxes should be opened in the presence of a committee representing the ministry and the association and minutes of opening should be prepared and signed by supervising committee and the ministry representative.

Second: Permanent boxes in public places:

1. Boxes should be according to the model approved by the ministry, their number and locations shall be defined along with opening timings.
2. Each box should display the name of association, license number, term and box number. Boxes should be stamped by the Ministry and shall be opened immediately after expiry of the period in the presence of a committee in which the ministry is represented.
3. Collection duration shall be either annual or semiannual.

Third: Stamps:

1. Define number of stamps, categories and collection period.
2. Each stamp should show its value and to be stamped by the association.
3. Stamps should be gathered in books and to be stamped by the association. The cover shall display the name of organization, license number, term and serial book number.
4. Books should be stamped by the ministry stamp.
5. All unsold stamps should be returned to their books until the ministry representative arrives for inspection and destruction via minutes to be signed by the ministry and association representatives.

Fourth: receipts:

1. Receipts should be of one original and one copy with serial number. Double-face carbonic paper should be used.
2. Each receipt should display the name of association, registration number, license number and term.
3. The receipt should be stamped by the association and minister.
4. Copies are to be kept in books for future review.

Fifth: Charitable Markets:

1. Entry to the market should be free.
2. A list of exhibited items should be prepared along with sale prices.
3. Receipts of sales should be produced of one original and one copy using double-carbon paper.
4. Immediately after conclusion of the market, a list of unsold items should be presented to the ministry and these items become then in the custody of the association.
5. Donations shall never be collected during the market days unless a prior permission is obtained.

Sixth: Parties:

1. Number of tickets and categories should be according to the statement submitted by the association provided the number does not exceed the space of the intended venue of the party.
2. Tickets should be stamped by the ministry and the association.
3. Each ticket should display its number, name of association, license number, venue of the party, date and should be stamped by the ministry. Remaining unsold tickets should be stored for further review.
4. Donations shall not be collected during the party unless a prior permission is obtained.
5. If the party is sponsored, a confirmation of sponsorship from the sponsor should be submitted.
6. The association shall not agree with any person or organization on a commission 10% for distributing tickets exceeding. No agreement shall be made on paying a certain percentage of the party revenues.

7. In case of holding cinema, theatre or artistic parties, expenditures shall not exceed one third of the party revenues. The minister may agree to increase this percentage in exceptional cases and via a special permission before holding the party.
8. Free tickets shall not exceed 5% of total tickets of different categories.
9. The Ministry should be informed not later than two weeks after the completion of the party by the revenues and expenditures of the party in details.

Seventh: Lottery

It should follow the approved lottery system.

ARTICLE (14):

Donations shall not be collected via means other those stated above.

ARTICLE (15):

Amateur teams shall not be allowed to hold charitable parties except where half the income is directed towards charitable purposes. It is provided that the party is supervised by a social entity or a committee approved by the Ministry.

ARTICLE (16):

Granting licenses for collection of donations to charitable associations and social foundations shall be restricted to areas where these associations are active.

ARTICLE (17):

Ottomans assistance collection principles dated 21 Shaban 1327 Hijria are hereby revoked.

13.12.1956