



Act now to ensure your governing documents are accurate

If your NFP's governing documents aren't up to date, your NFP may not be eligible to self-assess as income tax exempt.

Last updated 3 April 2025

Attention: To support NFPs that have been self-assessing as income tax exempt and who are required to update their governing documents, we have extended the timeframe to update governing documents from 30 June 2025 to 30 June 2026.

NFP self-review return requirement

Non-charitable NFPs with an active Australian business number (ABN) must lodge an annual NFP self-review return to notify us of their eligibility to self-assess as income tax exempt. When completing the return, NFPs must confirm they follow clauses in their governing documents that prohibit distribution of income or assets to members.

What if your NFP doesn't have these governing document clauses?

As a transitional arrangement NFPs can self-assess as income tax exempt in their first self-review return for the 2023–24 and 2024–25 income years, provided they've not distributed any assets or income to its members.

If your NFP has not yet updated its governing documents and has not made distributions of income or assets to members, you can now answer 'Yes' to Question 3 in the 2024–25 NFP self-review return. This will automatically grant your NFP extra time until 30 June 2026 to

update its governing documents and to continue to self-assess as income tax exempt

NFPs must update their governing documents by 30 June 2026 to continue self-assessing as income tax exempt for the 2025–26 income year.

If your NFP doesn't have clauses that prohibit distributions to members in its governing documents by **30 June 2026**, it can't self-assess as income tax exempt for the 2025–26 income year onwards. This may result in your NFP needing to lodge an income tax return or non-lodgment advice.

Updates to governing documents cannot be backdated. It can take time to update your governing documents, as you may need to hold an annual general meeting (AGM) to note any amendments. So be sure get started as soon as possible so you don't run out of time.

What are governing documents?

A not-for-profit (NFP) is required to maintain governing documents that demonstrate they operate on a NFP basis, including organisations that self-assess their income tax exemption.

These **governing documents** must include clauses that prevent the NFP from distributing income or assets to members, both while it operates and when it winds up. Governing documents outline your organisation's purpose, NFP character, and operational guidelines. They may be called by names such as your NFP's rules or articles of association, constitution, rule book, or deed of trust.

They should include:

- **the NFP's purpose:** the mission and objectives of the organisation
- **not-for-profit clauses:** statements that ensure the organisation's income and assets are used solely for its purpose and not distributed to members or other private persons
- **dissolution clauses:** guidelines on what happens to the organisation's assets if it winds up.

We recommend you conduct a review of your NFP's governing documents annually in preparation for the annual self-review return, and whenever there is a major change to the structure or activities of the organisation. This will ensure your governing documents remain in order.

If you need more help with getting ready to lodge your NFP self-review return, including how to prepare your governing documents, you can visit our website for information on [how to lodge the NFP self-review return](#).

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