



ATO encourages NFPs to get ready for new return

From 1 July 2024, non-charitable not-for-profits will be required to lodge an annual NFP self-review return.

Last updated 5 April 2024

From 1 July this year, non-charitable not-for-profits (NFPs) with an active Australian Business Number (ABN) will be required to lodge a new annual NFP self-review return to the Australian Taxation Office (ATO) to confirm their income tax exemption status.

This applies to around 150,000 NFPs who currently self-assess as income tax exempt.

The new reporting requirement was introduced in the 2021–22 Federal Budget to enhance transparency and integrity in the tax, super and registry system by ensuring only eligible non-charitable NFPs access that income tax exemption.

ATO Assistant Commissioner Jennifer Moltisanti said the ATO is supporting these NFPs to help them get ready now before the changes come into effect.

‘It’s important to us that affected not-for-profits understand the new reporting requirements and are prepared to lodge their first annual return come 1 July,’ said Ms Moltisanti.

‘Even though the due date is in October, there are things you should do now to make sure you are ready. We also recommend not waiting until the last moment to report, you can report from as early as 1 July.’

‘This new reporting requirement will help drive a level-playing field, giving confidence to not-for-profits that only organisations who are entitled to concessions can access those concessions.’

Non-charitable NFPs who have an active ABN can get ready now by:

- conducting an early review of their eligibility by using the **ATO's guide**
- **checking all their details are up to date**, including authorised associates, contacts and their addresses are current
- reviewing their purpose and governing documents to understand the type of NFP they are
- setting up myGovID and linking it to the organisation's ABN using Relationship Authorisation Manager.

When it comes time to lodge, NFPs can use Online services for business which lets organisations manage their reporting at a time that is convenient to them.

For NFPs that have engaged a registered tax agent, their agent can also lodge on their behalf through Online services for agents.

As an interim arrangement for the 2023–24 transitional year, eligible NFPs unable to lodge online will be able to submit their NFP self-review return using an interactive voice response phone service.

The first return is for the 2023–24 tax year and NFPs will need to prepare and submit their annual self-review between July and October 2024.

'We encourage affected not-for-profits to reach out to us or their registered tax agent if they need help understanding and meeting their obligations,' said Ms Moltisanti.

For more information about the upcoming changes and how organisations can get ready, see [NFP self-review return reporting requirement](#).

Notes to journalists

The new reporting requirement will not apply to:

- registered charities who are endorsed by the ATO as income tax exempt. Charities will continue to report annually to the Australian Charities and Not-for-profits Commission (ACNC), via the Annual Information Statement
- certain types of government entities

- around 9,000 taxable not-for-profits that already lodge an income tax return or notify of a return not necessary.

The IVR lodgment option will not be available to larger NFPs that already report for GST or PAYG withholding.

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