



 Print whole section

Registration

Detailed information about registering a not-for-profit organisation.

ABN registration for not-for-profits

When you apply for your ABN you will be asked to identify your organisation's entity and organisation type.

Registering not-for-profits for other taxes

Your not-for-profit organisation may need to register for goods and service tax (GST), fringe benefits tax (FBT), pay as you go withholding (PAYG), and other taxes. You can apply for these registrations when you apply for your ABN, or you can apply for them at a later date.

Legal structures for not-for-profits

To operate an NFP you need to choose the appropriate legal structure.

QC 28388

ABN registration for not-for-profits

When you apply for your ABN you will be asked to identify your organisation's entity and organisation type.

Last updated 12 October 2016

When you apply for your ABN you will be asked to identify your organisation's entity and organisation type.

This page is for non-profit organisations applying for an Australian Business Number (ABN).

There are two key questions in the ABN application:

- What type of entity are you?
- What type of organisation are you?

In answering those questions, your responses should be:

- *For taxation purposes which type of entity is the applicant?* Non-profit organisations should select the option 'Company, Partnership, Trust or other organisation'.
- *What type of organisation is the applicant?* You should select the option that is most suited to your organisation's legal structure – likely to be a company, trust or corporate trustee.

See also

- Choosing a legal structure
- Information for charities on how to state their legal structure in governing documents - [ACNC registration application guide](#)

Next steps

- [Apply for an ABN electronically](#)
- Apply for an ABN on a paper form – phone **13 92 26**

Companies

If you are a company or other organisation, you will need to choose one of the following:

- **Australian private company** – If the applicant is a company registered under the *Corporations Act 2001* as a proprietary company.
- **Australian public company** – If the applicant is a company registered under the *Corporations Act 2001* as a Company limited

by guarantee.

- **Other Incorporated entity** – If the applicant has been incorporated under the state and territory associations' incorporation legislation in which it operates or, is an Aboriginal and Torres Strait Islander Corporation incorporated under the *Corporations (Aboriginal and Torres Strait Islander) Act*.
- **Other unincorporated entity** – If the applicant operates under a set of rules and has not registered its governing rules with either State or Commonwealth regulators.
- **Cooperative** – If the applicant has been established as a cooperative.

Trusts

A trust will be issued with only one ABN, irrespective of the number of trustees. The ABN of the trust will not change if the trustees change.

When a company or other incorporated entity, acting in its capacity as trustee of a trust, applies for an ABN, it should indicate it is a trust and select the appropriate type of trust.

Common types of trusts

If a charity is not incorporated, it could be a trust (for example, 'JKF Fund', or 'JKF Foundation').

You will need to choose one of the following:

- **Discretionary trust (trading)** – A trustee can determine the distribution of income or capital of the trust to the beneficiaries; and the main source of income of the trust is from trading activities, such as the sale of goods or services.
- **Discretionary trust (investment)** – A trustee can determine the distribution of income or capital of the trust to the beneficiaries; and the main source of income of the trust is from investment activity.
- **Discretionary trust (services management)** – A trustee can determine the distribution of income or capital of the trust to the beneficiaries; and the main source of income of the trust is from service and/or management activity, for example administration services.

- **Fixed trust** – A trust has fixed entitlements to all of the trust's income and capital at all times during the financial year. That is, the trustee is bound to make a distribution to the beneficiaries in a fixed or predetermined manner, as set out in the trust deed.
- **Hybrid trust** – A trust has fixed entitlements to part of the trust's income or capital during the financial year. That is, the trustee may have some discretion to distribute some part of the income or capital, while entitlement to some part of the income and/or capital is fixed under the trust deed.

Corporate trustees

A company is entitled to an ABN in its own right. Separately, if the company is also a corporate trustee, as an 'other Incorporated entity', it is entitled to its own ABN if it is carrying on as an enterprise in its own right.

When applying for an ABN, the company or 'other incorporated entity' should select the option that is most suited to the organisation's legal structure and the capacity in which it is applying.

Example: trust ABN

When ABC Company applies for an ABN in its capacity as trustee of XYZ Trust, it should indicate the applicant (XYZ Trust) is a **trust** and select the appropriate type of trust. It should not select a company entity type as the applicant is the trust.

Example: company ABN

When ABC Company applies for an ABN for itself (and not in the capacity of a corporate trustee), it should indicate the applicant (ABC Company) is a **company** and select the appropriate type of company.

Registering not-for-profits for other taxes

Your not-for-profit organisation may need to register for goods and service tax (GST), fringe benefits tax (FBT), pay as you go withholding (PAYG), and other taxes. You can apply for these registrations when you apply for your ABN, or you can apply for them at a later date.

Last updated 12 November 2018

If your organisation is [applying for an ABN](#), you can register for some taxes by selecting options on the ABN application form.

Next steps:

- If your organisation does not have an ABN:
 - [Applying for an ABN](#)
- If your organisation already has an ABN:
 - work out which registrations you will need
 - register for GST
 - register for FBT – Application to register for fringe benefits tax

GST

Your NFP organisation must register for GST if its GST turnover is \$150,000 or more. If your organisation's GST turnover is less than \$150,000, registering is optional. Gifts and donations are not considered payment for a sale, and therefore not part of turnover.

Registering as a non-profit sub-entity

Some NFPs that are registered for GST may choose to register a branch as a non-profit sub-entity. A non-profit sub-entity maintains an independent system of accounting, is separately identifiable by its

activities or location, and is referred to in the entity's records as a separate entity for GST purposes.

For example, units of your organisation that are non-profit sub-entities could include a branch, fete, lamington drive or fundraising dinner. This means that where the unit's GST turnover is less than \$150,000, the unit can choose whether it registers for GST or not. Where the unit has a GST turnover of \$150,000 or more, it must register separately for GST purposes and will have the same rights and obligations as other GST registered entities.

ABN registration as a non-profit sub-entity for GST purposes cannot be used by the sub-entity for any other purpose, for example, to apply for endorsement as a DGR.

Example – non-profit sub-entity's use of its ABN

A school is constituted as a company and also operates a public library. The school has an ABN and the library also applies for an ABN for GST purposes as it meets the requirements of a non-profit sub-entity.

The library cannot apply for endorsement as a DGR in its own right. The school will have to apply for endorsement in relation to the library. The library, however, can use its ABN for GST purposes.

See also:

- GST
- Registering for GST

PAYG withholding

You must register for PAYG withholding if you need to withhold an amount from a payment and send it to us.

Most commonly you need to withhold amounts from payments you make to:

- your employees
- your directors

- businesses that do not quote their ABN to you.

Depending on your circumstances, you may also have to withhold amounts from payments you make to:

- contractors who have a voluntary agreement with you
- individuals under a labour hire arrangement
- employees on termination of their employment.

See also:

- [Pay as you go withholding](#)

FBT

If you have established you are providing fringe benefits and you have to pay fringe benefits tax, you must register for FBT.

FBT is a tax payable by employers who provide fringe benefits to their employees or to associates of their employees. This is the case whether or not the employer is the actual supplier of the benefit – for example, where the benefit is provided by an associate, or under an arrangement with a third party.

Some common fringe benefits are:

- private use of a work car by an employee or director
- paying private expenses for an employee or director – for example
 - health insurance costs
 - club memberships
 - school fees
 - holiday expenses
 - on-site accommodation.

If you provide a fringe benefit to your employees, or to associates of your employees (typically family members), you may have an FBT liability. This is separate from income tax and is calculated on the taxable value of the fringe benefits provided. Even if you are exempt from income tax, you may still have to pay FBT. However, certain FBT concessions can reduce your liability.

See also:

- Fringe benefits tax

TFN

A TFN is a unique number we give you to help us manage tax and other government services. It is not compulsory to have a TFN.

However, a TFN will help if you:

- are required to lodge an income tax return for your organisation
- lodge an application for refund of franking credits for your charity or deductible gift recipient
- ask us about your organisation's income tax affairs.

See also:

- [Apply online for a TFN](#)

Fuel tax credits

Fuel tax credits are a credit for the fuel tax (excise or customs duty) included in the price of the fuel you use for your organisation's activities in:

- machinery
- plant
- equipment
- heavy vehicles.*

* Vehicles with a gross vehicle mass (GVM) greater than 4.5 tonnes – diesel vehicles acquired before 1 July 2006 can equal 4.5 tonnes GVM.

Some fuels and activities are not eligible including aviation fuels and fuel you use in light vehicles of 4.5 tonnes GVM or less, travelling on public roads (such as cars, utes and taxis).

Before you can claim fuel tax credits your organisation may need to be registered for both GST and fuel tax credits.

If you are not (or not required to be) registered for GST you may be eligible to claim fuel tax credits if you are a non-profit body and the fuel is acquired for use in emergency vehicles or vessels.

See also:

- Fuel tax credits eligibility tool
- Fuel tax credits for business

QC 33600

Legal structures for not-for-profits

To operate an NFP you need to choose the appropriate legal structure.

Last updated 1 November 2021

To operate your NFP, you will need to choose a legal structure.

To find out more about legal information and advice, go to [Not-for-Profit Law](#) .

Unincorporated associations

An unincorporated association is not recognised as a separate legal entity to the members associated with it. It is a group of people who agree to act together as an organisation and form an association. The group can remain informal and its members make their own rules on how the group is managed. The rules may also be referred to as a constitution.

An unincorporated association is however an entity under tax law and treated as a company for income tax purposes.

Incorporated associations

An incorporated association is a legal entity separate from its individual members. Associations are incorporated under the state or territory legislation in which they operate. An incorporated association may operate outside the state and territory in which it is incorporated if the entity is registered with the Australian Securities & Investments Commission (ASIC) as a registrable Australian body under the *Corporations Act 2001*.

An incorporated association can continue regardless of changes to membership. It also provides financial protection by usually limiting personal liability to outstanding membership and subscription fees, or to a guarantee.

As legislation varies from state to state, you should visit the website of the relevant state or territory authority to learn more about the requirements in your state or territory for incorporated associations.

See also

- [ASIC – Registrable Australian Bodies](#)
- [Australian Capital Territory Office of Regulatory Services – Associations](#)
- [Consumer Affairs Victoria – Incorporated associations](#)
- [New South Wales Fair Trading – Associations](#)
- [Northern Territory Department of Business – Incorporated associations](#)
- [Queensland Office of Fair Trading – Associations](#)
- [South Australian Consumer and Business Services – Incorporated associations](#)
- [Tasmanian Department of Justice, Consumer Affairs and Fair Trading – Incorporated associations](#)
- [Western Australian Department of Commerce – Associations](#)
- [Australian Business Registry Services – director identification number](#)

Companies registered under the Corporations Act 2001

The *Corporations Act 2001* is administered by the ASIC. NFP organisations registered with ASIC include:

- public companies limited by guarantee – the most common type of company structure for NFP organisations registered with ASIC
- proprietary companies limited by shares – such as a business that is wholly owned by a charity that has a similar charitable purpose

- registered Australian bodies – such as an incorporated association registered under a State Act and registered with ASIC if it carries on business outside the state or territory in which it is registered
- foreign companies – such as a charity formed or incorporated outside Australia but registered to carry on business in Australia.

Some reporting obligations under the *Corporations Act 2001* do not apply to charities that are registered with the Australian Charities and Not-for-profits Commission (ACNC).

See also

- asic.gov.au ↗
- acnc.gov.au ↗
- [Australian Business Registry Services – director identification number](#) ↗

Cooperatives

A cooperative is a type of entity which exists for the benefit of its members. It is only suitable as an NFP legal structure if it has rules to prevent surpluses or profits being distributed to members – referred to as non-distributing or non-trading cooperatives.

As legislation varies from state to state, you should visit the website of the relevant state or territory authority to learn more about the requirements in your state or territory. Cooperatives incorporated in states that have enacted the recent Cooperatives National Law can operate freely across borders, without requiring separate registration and reporting in those states.

See also

- [Consumer Affairs Victoria](#) ↗
- [New South Wales Fair Trading – Co-operatives](#) ↗
- [Northern Territory Co-operatives Act and Regulations](#) ↗
- [Queensland Office of Fair Trading – Cooperatives](#) ↗
- [South Australian Consumer and Business Services – Co-operatives](#) ↗

- [Tasmanian Department of Justice, Consumer Affairs and Fair Trading – Co-operatives](#)
- [Western Australian Department of Commerce – Co-operatives](#)

Indigenous corporations

Aboriginal and Torres Strait Islander organisations can apply to be registered as a separate legal entity with [Office of the Registrar of Indigenous Corporations](#) (ORIC) under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). They are only suitable as an NFP legal structure if they have rules to prevent surpluses or profits being distributed to members.

See also

- [Australian Business Registry Services – director identification number](#)

Trusts

A trust is an obligation imposed on a person or other entity (the trustee) to hold property for the benefit of beneficiaries or for a particular purpose. In legal terms, a trust is a relationship not a legal entity. The trustee must deal with the trust property in line with the settlor's wishes as set out in the trust deed (or will in the case of a deceased estate).

Trusts are widely used for investment and business purposes as well as for the advancement of a charitable purpose.

They should only ever be considered with legal advice. As noted above, public and private ancillary funds must be established under an instrument of trust.

See also

- [Guide to the taxation of trusts](#)

Acts of Parliament

Some NFPs are set up under an Act of Parliament – for example, public universities are established under particular legislation.

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).