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Managing a not-for-profit organisation

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Your obligations to volunteers, employees and contractors

The obligations your not-for-profit organisation has for its volunteers, employees and independent contractors.

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In detail

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QC 46309

Your obligations to volunteers, employees and contractors

The obligations your not-for-profit organisation has for its volunteers, employees and independent contractors.

Last updated 5 September 2018

Types of not-for-profit workers

Work out if your workers are employees, independent contractors or volunteers.

Not-for-profit volunteers

NFP organisations may need to pay different types of taxes and may be entitled to concessions, credits and refunds.

Pay as you go withholding for not-for-profits

If your not-for-profit organisation has employees, you must withhold amounts from their pay and send the amounts to us. You may also have to withhold in other circumstances, for

example, when you make a payment to an independent

Super guarantee requirements for not-for-profits

Find out about paying the right amount of super on time and when to lodge a superannuation guarantee charge statement.

Fringe benefits tax for not-for-profit employers

Find out about fringe benefits tax (FBT) on benefits provided to employees of your not-for-profit organisation.

Salary sacrifice arrangements and not-for-profits

Learn how your not-for-profit can offer salary sacrifice to employees, also known as salary or remuneration packaging.

Employment termination payments for not-for-profits

Employment termination payments (ETPs) are specific payments made to your not-for-profit organisation's employee when they stop working for you. ETPs are subject to concessional tax treatment depending on the employee's age and length of employment.

Other obligations for not-for-profits

Your not-for-profit organisation may need to consider some other obligations to workers, such as child support payments, workplace giving, reporting and paying tax, and keeping records.

QC 46328

Types of not-for-profit workers

Work out if your workers are employees, independent contractors or volunteers.

Last updated 4 April 2024

Types of workers

Workers in your not-for-profit organisation can be employees, independent contractors or volunteers. The status of a worker may affect the tax treatment of dealings between your organisation and that worker.

Employee

Generally, a person is an employee if they:

- can't pay someone to do the work they are contracted to perform (that is they cannot delegate or subcontract their work to another
- receive payments either
  - for the amount of time (normally hours or shifts) they work
  - for each item or activity they do
  - on a commission basis
- have work hours set by an agreement or award
- use tools, equipment or other assets to complete their work that either
  - the employer gives them
  - they provide themselves, but the employer either gives them an allowance or pays them back for the cost of the items
- receive paid leave, for example, sick, annual, recreation or long service leave

- don't personally pay for mistakes made performing their work, the employer is responsible if they make a mistake and the employer pays for the cost of fixing it
- follow any reasonable work requests their supervisor or employer makes
- are seen to be part of the business carried on by the employer and aren't independent from it
- are recognised as a part of (or an 'emanation' of) your organisation's business
- don't take commercial risks and can't make a profit or loss from the work performed.

Independent contractor

Generally, an entity (such as an individual, partnership, trust or company) is an independent contractor if they:

- can delegate or subcontract the work they are engaged to perform to another entity and are responsible for paying that other entity for the work undertaken on their behalf
- receive all, or the majority, of the amount of their quote once they finish the work to an agreed standard
- supply an invoice before they are paid
- bring to the job all or most of the things (tools, equipment and materials) needed to do the work
- buy or hire tools of trade or any equipment needed to do the work at their own expense
- don't receive paid leave, for example, sick, annual, recreation or long service leave
- are responsible for fixing their own mistakes at their own expense
- can do the work in any way they like as long as the work is completed to
  - an agreed standard
  - the specific terms in the contract or agreement

- could be operating their own business independently, which means they
  - complete the tasks or services as agreed to in the contract or agreement
  - are free to accept or refuse extra work.

Volunteer

Although there is no legal definition of 'volunteer' for tax purposes, a volunteer doesn't work under a contractual obligation for remuneration and would not be an employee or independent contractor.

Reporting and paying tax

Your not-for-profit organisation has similar reporting obligations to businesses, covering its income tax (if not exempt) and other obligations.

For example, your organisation uses activity statements to report and pay a number of tax obligations, including GST, pay as you go (PAYG) instalments, PAYG withholding and fringe benefits tax. Learn more about statements and returns.

There are a range of options for paying your tax. If you can't pay on time, it's important to contact us straight away to make appropriate arrangements to pay your tax debt. If you're due for a refund we can pay it directly into your nominated account.

Keeping records

Keeping employment and payroll records for employees and contractor is an essential part of running your not-for-profit organisation. You must keep your records in an accessible form (either printed or electronic) for 5 years and they must be in English.

The Not-for-Profit Law service can provide legal information and advice about these topics.

Not-for-profit volunteers

NFP organisations may need to pay different types of taxes and may be entitled to concessions, credits and refunds.

Last updated 15 June 2022

You need to understand the various obligations your not-for-profit organisation has concerning its volunteers.

Although there is no legal definition of 'volunteer' for tax purposes, a volunteer does not work under a contractual obligation for remuneration and would not be an employee or independent contractor. So, if any of your workers are not employees or independent contractors, they will be volunteers.

As a general rule:

- Volunteers do not have to pay tax on payments or benefits they receive in their capacity as volunteers.
- Not-for-profit organisations are not liable for pay as you go (PAYG) withholding and fringe benefits tax (FBT) on payments they make, or benefits they provide, to volunteers.

Find out about:

- Paying volunteers
- Donations by volunteers
- Volunteers and GST
- Volunteers and FBT
- Volunteers and PAYG withholding

Paying volunteers

Volunteers can be paid in cash, given non-cash benefits or given a combination of both cash and non-cash benefits. These payments have various descriptions, including honorariums,

reimbursements and allowances. Find out if these payments are assessable income to the volunteer.

Donations by volunteers

Volunteers may donate money, goods and time to not-for-profit organisations. Find out if donations are tax deductible.

Volunteers and GST

Your not-for-profit organisation must be registered for GST to claim GST credits on purchases for volunteers and reimbursements to its volunteers. There are some exceptions.

Volunteers and PAYG withholding

Your not-for-profit organisation must withhold amounts from payments to its volunteer for a supply of goods and services made in the course of their enterprise if they have not quoted their ABN.

QC 16184

Paying volunteers

Volunteers can be paid in cash, given non-cash benefits or given a combination of both cash and non-cash benefits. These payments have various descriptions, including honorariums, reimbursements and allowances. Find out if these payments are assessable income to the volunteer.

Last updated 12 December 2017

You may be asked by your not-for-profit organisation's volunteers whether payments to them are part of their assessable income.

Generally, receipts that are earned, expected, relied upon and have an element of periodicity, recurrence or regularity are treated as

assessable income of a volunteer.

If a person's activities are a pastime or hobby – rather than income producing – money and other benefits received from those activities are not assessable income.

A payment to a volunteer that is **not** assessable income will have many of the following characteristics:

- The payment is to meet incurred or anticipated expenses.
- The payment has no connection to the volunteer's income-producing activities or services.
- The payment is not received as remuneration or as a consequence of employment.
- The payment is not relied upon or expected by the volunteer for day-to-day living.
- The payment is not legally required or expected.
- There is no obligation on the part of your organisation to make the payment.
- The payment is a token amount compared to the services provided or expenses incurred by the volunteer. Whether the payment is token depends on the full facts surrounding the payment and volunteer's circumstances.

Your volunteers can be paid in cash, given non-cash benefits or given a combination of both cash and non-cash benefits. These payments are given various descriptions, including:

- honorariums
- reimbursements
- allowances.

Sometimes they are given no name at all.

The name or description of the payment does not determine its treatment for tax purposes – it depends on the nature of the payment and the volunteer's circumstances.

Find out about:

- Honorariums

- Reimbursements
- Allowances

Honorariums

Find out if an honorarium your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

Reimbursements

Find out if a reimbursement your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

Allowances

Find out if an allowance your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

QC 46350

Honorariums

Find out if an honorarium your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

Last updated 12 December 2017

An honorarium is either:

- an honorary reward for voluntary services, or
- a fee for professional services voluntarily performed.

An honorarium may be paid in money or as property.

Is an honorarium assessable income?

Whether an honorarium is assessable income of the volunteer depends on the nature of the payment and the volunteer's circumstances. Specifically:

- honorary rewards for voluntary services are not assessable income and related expenses are not deductible
- fees received for professional services voluntarily provided are assessable income of the volunteer. In this situation, they may be entitled to a deduction for expenses incurred in performing these professional services.

Example: Honorarium – not assessable income

Michael works as a computer programmer at the local city council and volunteers as a referee for the local rugby union. This year, he organised an accreditation course for new referees. He applied for a grant, arranged advertising, assembled course materials and booked venues. Michael is awarded an honorarium of $100 for his efforts. The honorarium is not assessable income.

Example: Honorarium – assessable income

Judy has a graphic design business and volunteers at the local art gallery. Judy prepares the gallery's annual report using her business's software and equipment. At the gallery's annual general meeting, Judy is awarded an honorarium of $800 in appreciation of her services. This honorarium will be assessable income to Judy because it is a reward for services connected to her income-producing activities.

QC 46354

Reimbursements

Find out if a reimbursement your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

Last updated 12 December 2017

A payment is a reimbursement for tax purposes if it is a precise compensation, in part or full, for an expense already incurred, even if the expense has not yet been paid.

In general, your not-for-profit organisation will reimburse your volunteers when you consider they have incurred expenditure on behalf of the organisation. The volunteer may be reimbursed for all or part of the expense.

A payment is more likely to be a reimbursement where you require your volunteer:

- to provide a receipt or otherwise substantiate expenses
- refund unspent amounts.

Is a reimbursement assessable income?

If your organisation reimburses a volunteer for using their own assets or paying for something on behalf of the organisation, the reimbursement will not be assessable income of the volunteer, provided the payment:

- does no more than reimburse the volunteer for expenses actually incurred
- is not for a supply made in the course of an enterprise of the volunteer.

Example: Reimbursements – not assessable income

Javier is an electrical contractor. He volunteers to mow the yard of a local non-profit child care centre. Javier purchases a $15 spare part for the centre's mower. The child care centre reimburses Javier for the cost of the spare part. As Javier has not made the supply in the course of his enterprise as an

electrician, the $15 received from the child care centre will not be assessable to Javier.

Example: Reimbursements – assessable income

Javier also volunteers to do the electrical maintenance at the child care centre and uses materials from his business's trading stock. Because the supplies are made in the course of his enterprise, any reimbursements he receives for the cost of the materials will be assessable income.

QC 46355

Allowances

Find out if an allowance your not-for-profit organisation gave to your volunteer is assessable income to that volunteer.

Last updated 12 December 2017

A payment to your not-for-profit organisation's volunteers is an allowance when it is a definite, predetermined amount to cover an estimated expense. It is paid even if the volunteer does not spend the full amount.

Is an allowance assessable income?

Whether an allowance is assessable income of the volunteer depends on the facts surrounding the payment and the relationship between the volunteer and your not-for-profit organisation.

If a volunteer receives an allowance with no regard to actual expenses and there is no requirement to repay unspent monies, the allowance may be treated as assessable income.

Example: Allowance – assessable income

Marko volunteers as a telephone counsellor for a crisis centre. He is rostered on night shifts during the week and is occasionally called in on weekends. When Marko works weekends the centre pays him an allowance of $150. The allowance is paid to acknowledge Marko's extra efforts and to compensate him for additional costs incurred. These payments to Marko are considered assessable income.

QC 46356

Donations by volunteers

Volunteers may donate money, goods and time to not-for-profit organisations. Find out if donations are tax deductible.

Last updated 6 July 2026

It is common for volunteers to donate money, goods and time to not-for-profit organisations.

You may be asked by your not-for-profit organisation's volunteers whether their expenses or donations by them are tax deductible.

While the income tax law contains no specific deductions for voluntary work expenses, donations by volunteers to your not-for-profit organisation may be tax deductible.

Donations that are tax deductible

Tax-deductible donations are called 'gifts'. To be tax deductible, a donation must comply with relevant gift conditions, and be:

- made voluntarily
- made to a deductible gift recipient (DGR)
- in the form of money or certain types of property.

Before 1 July 2024, you can only claim a deduction for gifts and donations of $2 or more.

Donations that are not tax deductible

A donation of a service, including a volunteer's time, is **not** tax deductible as no money or property is transferred to the DGR.

Payments that are **not** tax-deductible donations include:

- payments to school building funds as an alternative to an increase in school fees
- purchases of raffle or art union tickets, chocolates and pens.

Example: not a gift

Chamith buys a clock at a charity auction for $200. This is not a gift, even if Chamith has paid a lot more than the value of the clock.

A token of acknowledgment from a DGR can be consistent with a payment being a gift.

Example: gift

Sheifa receives a lapel badge for her donation to a DGR. The lapel badge is a token of acknowledgment and not a material benefit and the donation is a gift.

For more information, see:

- Gifts and fundraising
- Gifts and donations.

Volunteers and GST

Your not-for-profit organisation must be registered for GST to claim GST credits on purchases for volunteers and reimbursements to its volunteers. There are some exceptions.

Last updated 12 December 2017

If your organisation is registered for GST it may be entitled to claim GST credits for purchases it makes for its volunteers or when it reimburses its volunteers for expenses they have incurred.

If the purchase or expense is more than $82.50 (GST inclusive) you need a tax invoice to claim a GST credit. Your organisation can still claim the GST credits even if the tax invoice is in the name of the volunteer.

An organisation does not need a tax invoice to claim a credit if an expense is $82.50 (GST inclusive) or less. You only need some documentary evidence of the expense, such as a cash receipt, cheque butt or bank statement.

Find out about:

- Claiming GST credits on purchases for volunteers
- Claiming GST credits on reimbursements to volunteers
- Remitting GST on supplies to volunteers

See also:

- GST

Claiming GST credits on purchases for volunteers

A not-for-profit organisation must be registered for GST to claim GST credits for the GST included in the price of the purchases it

makes in carrying on its activities. This includes things it buys for

Claiming GST credits on reimbursements to volunteers

Check when your not-for-profit, endorsed charity, gift-deductible entity or government school can claim GST credits.

Remitting GST on supplies to volunteers

A not-for-profit organisation does not need to remit GST on things it provides to volunteers if those things are to be used by the volunteer in their activities for the organisation.

QC 46362

Claiming GST credits on purchases for volunteers

A not-for-profit organisation must be registered for GST to claim GST credits for the GST included in the price of the purchases it makes in carrying on its activities. This includes things it buys for its volunteers in carrying on its enterprise.

Last updated 12 December 2017

Your not-for-profit organisation may be able to claim GST credits on purchases for volunteers.

Purchases for volunteers while carrying on activities

If your organisation buys things for its volunteers in carrying on its activities, it generally can claim GST credits for the GST included in the price of those things.

Examples: Entitled to claim

A sporting club buys uniforms for its volunteer players. The club is entitled to a GST credit for the GST in the price of the uniforms.

A charity buys a car for volunteers to use when carrying out the organisation's services. The charity is entitled to GST credits for the GST in the purchase price of the car.

If your organisation provides light meals, such as hot or cold sandwiches, morning and afternoon tea or non-alcoholic refreshments to its volunteers it generally can claim GST credits for the GST included in such expenses.

If your organisation provides food, drink, accommodation or travel that is reasonably incidental to a volunteer's attendance at a seminar, of at least four hours' duration, it can claim GST credits for the GST included in such expenses.

Examples: Entitled to claim

An emergency-services organisation provides sandwiches and pastries to volunteers during an operation. The organisation is entitled to claim GST credits for any GST included in the expenses incurred.

A surf lifesaving club holds an all-day training course for its volunteer lifesavers. During the day, the club provides a smorgasbord of hot and cold foods. The surf lifesaving club is entitled to claim GST credits for any GST included in the expenses incurred.

Purchasing entertainment for volunteers

Any food or drink provided in a social setting such as dinners, parties and social functions are considered entertainment.

This includes meals provided in a social setting at an in-house dining facility. An organisation cannot claim GST credits for the GST included in such entertainment expenses.

If your organisation provides entertainment to its volunteers, it generally **cannot** claim GST credits for the GST included in the cost of the entertainment.

Entertainment means:

- entertainment by way of food, drink or recreation
- accommodation or travel to do with providing entertainment by way of food, drink or recreation.

Example: Not entitled to claim

A charity holds an end-of-year dinner as a thank you to its volunteers. The charity is not entitled to claim GST credits for any GST included in the expenses incurred.

See also:

- Charities consultative committee resolved issues document (see parts 3 and 4)

QC 46364

Claiming GST credits on reimbursements to volunteers

Check when your not-for-profit, endorsed charity, gift-deductible entity or government school can claim GST credits.

Last updated 30 July 2026

When you can claim GST credits

You can only claim GST credits on reimbursements you pay to volunteers for things the volunteer purchased if you meet all of the following:

- You're an endorsed charity, eligible gift-deductible entity or government school.
- The expenses directly relate to the volunteer's activities.
- The expense is for a taxable supply.
- For reimbursements over $82.50 GST inclusive – you hold a valid tax invoice that was issued to the volunteer.
- The expense is **not** a non-deductible expense.
- The volunteer is not entitled to GST credits for the expense.

If your organisation does not meet all of the above criterion, you can't claim GST credits when you reimburse a volunteer.

However, if you're an NFP you may be able to claim GST credits when you reimburse either:

- your employee
- your agent
- an officer if you are a company.

View our definitions of entity types that are eligible for GST concessions if you're unsure if you're one of the entity types listed above.

Example: NFP not entitled to GST credits when reimbursing volunteers

Monty Sporting Club is an NFP registered for GST and is not an endorsed charity or gift-deductible entity. Balint volunteers as a cricket coach for the Monty Sporting Club. Balint is not an employee, agent or officer for the sporting club.

Balint uses his own car and purchases petrol to travel to training sessions and matches. GST is included in the price of the petrol.

Monty Sporting Club reimburses Balint for petrol costs incurred in travelling to training sessions and matches. Balint provides the tax invoice for his fuel purchases to the Monty Sporting Club.

The Monty Sporting Club can't claim GST credits for the reimbursement made to Balint because they aren't an endorsed

charity or gift-deductible entity and Balint is not an employee, agent or officer of the club.

What is a reimbursement

You make a reimbursement when you pay a volunteer the full amount, or part of the amount, for the expense directly related to their activities as a volunteer.

You also make a reimbursement if you:

- make a payment on behalf of your volunteer for an expense they have incurred but haven't yet paid – for example, you pay the volunteer's bill on their behalf
- pay your volunteer before the expense is incurred, but the volunteer must repay any amount they don't spend.

Example: endorsed charity claiming GST credits

Welcoming Arms is an endorsed charity and is registered for GST. Welcoming Arms operates a crisis centre. The charity uses a number of volunteers to provide its services.

Olivia is a volunteer for the crisis centre. She takes calls from her home, using a separate phone and mobile plan. These expenses include GST in the price.

Welcoming Arms reimburses Olivia for her phone expenses relating to her work for the centre. Olivia provides Welcoming Arms with the tax invoices from her phone and mobile providers.

Welcoming Arms is entitled to claim a GST credit for the reimbursement paid to Olivia.

Example: reimbursing training expenses

Dimitris is a volunteer counsellor for Welcoming Arms. Dimitris attends a training session on conflict resolution to assist with

supporting people attending the crisis centre. The training session is taxable and the price includes GST. He receives a tax invoice for the training session and provides the invoice to Welcoming Arms.

Welcoming Arms pays the invoice directly on behalf of Dimitris.

Welcoming Arms' payment is treated the same as a reimbursement. It's entitled to claim a GST credit for the amount paid on Dimitris' behalf, even though he didn't pay the bill, because he incurred the expense.

Employee of an NFP

If you're an NFP reimbursing your employees, refer to GST and employee reimbursements.

Agent for an NFP

If you're an NFP, you can claim GST credits when you reimburse an agent if you meet all of the following:

- The agent is authorised and acting on your behalf.
- The expense directly relates to their activities as your agent.
- The expense is for a taxable supply and the agent is not entitled to a GST credit for the expense.
- For reimbursements over $82.50 GST inclusive – you hold the valid tax invoice that was issued to the agent.
- The expense is **not** a non-deductible expense.

Officer for an NFP

If you're an NFP that is also a company, you can claim GST credits when you reimburse an officer (such as a director, secretary or an executive officer) when you meet all of the following:

- The expenses directly relate to their activities as an officer.
- The expense is for a taxable supply and the officer is not entitled to a GST credit for the expense.

- For reimbursements over $82.50 GST inclusive – you hold the valid tax invoice that was issued to the officer.
- The expense is **not** a non-deductible expense.

Example: claiming GST credits for reimbursing an officer

The Lawnmowers Association of South Australia is a company and an NFP registered for GST. The association is not an endorsed charity or gift-deductible entity. Annika is its voluntary secretary.

Annika attends an interstate conference on the latest lawnmower technology in her role as an officer for the association. She incurs travel expenses which include GST in the price.

Annika provides the tax invoices for her travel expenses to the association. The association reimburses Annika for her travel expenses.

The association is entitled to claim GST credits for the reimbursement paid to Annika.

Further information on GST and reimbursements

Refer to GST issues registers – Charities consultative committee resolved issues *Part 7 –Reimbursements, volunteers and payments to contractors* for information on other aspects of how GST law applies to reimbursements to volunteers.

QC 46366

Remitting GST on supplies to volunteers

A not-for-profit organisation does not need to remit GST on things it provides to volunteers if those things are to be used by the volunteer in their activities for the organisation.

Last updated 12 December 2017

Examples: No remitting of GST

An adult migrant education organisation provides its volunteers with stationery to be used in teaching English to migrants. The stationery is to be used by the volunteer in providing their services for the organisation. Therefore, the organisation is not required to remit GST when they provide stationery to the volunteers.

A hospital provides meals to its volunteers at its canteen. The meal is provided to the volunteer to help them provide their services to the hospital. The hospital is not required to remit GST on the meal provided to the volunteer.

QC 46371

Volunteers and PAYG withholding

Your not-for-profit organisation must withhold amounts from payments to its volunteer for a supply of goods and services made in the course of their enterprise if they have not quoted their ABN.

Last updated 12 December 2017

Payments to your not-for-profit organisation's volunteers are generally **not** subject to pay as you go (PAYG) withholding.

However, you may be required to withhold from a payment to a volunteer where both of the following applies:

- the payment is for a supply of goods or services made in the course of an enterprise carried on by the volunteer
- the volunteer has not quoted their Australian business number (ABN).

Example: PAYG withholding not required

Tom operates a bakery business. He volunteers to paint a community centre for a charity. Tom pays $80 for additional material not supplied by the charity. The charity reimburses Tom $80 for the cost of the material. As Tom has not made the supply in the course of his enterprise as a baker he does not need to quote his ABN to the charity and the charity will not be required to withhold from the payment to Tom.

Example: PAYG withholding may be required

Tom also agrees to make pies at his bakery for the charity's pie drive for the cost of the ingredients. The charity reimburses Tom $150 for the cost of the ingredients. As Tom has made a supply in the course of his enterprise, he will need to quote his ABN to the charity to avoid an amount being withheld from the payment. If he does not quote his ABN, the rate of withholding in this situation would be 49% of the total payment.

Your organisation must **not** withhold from a volunteer supplier if the:

- total payment to the supplier is $75 or less, excluding any GST
- supplier is an individual under 18 years old, is not your employee, and the payments you make to that person do not exceed $350 per week
- supply is wholly input taxed under GST – this includes

- most financial supplies
- supplies of residential rent and residential premises
- food supplies by school tuckshops and canteens that have chosen to be input taxed
- sales made at fundraising events that charities, gift-deductible entities and government schools can, and have chosen to, treat as input taxed.

Phone us on **13 28 66** if you're not sure whether the supply is input taxed.

Also, your organisation does **not** need to withhold from a volunteer supplier if it is satisfied that the:

- supply is made in the supplier's private capacity, or as their hobby
- payment is exempt income for the supplier (for example, the supplier is an income tax exempt charity)
- payment is to a non-resident who is not carrying on an enterprise in Australia or through an agent in Australia
- supplier is not carrying on an enterprise because they have no reasonable expectation of profit or gain.

If you are unsure that one of these exceptions applies, you should ask the volunteer supplier to give you a written statement that the supply is excluded for one of these reasons.

See also:

- Statement by a supplier not quoting an ABN
- PAYG withholding

QC 46374

Pay as you go withholding for not-for-profits

If your not-for-profit organisation has employees, you must withhold amounts from their pay and send the amounts to us. You may also have to withhold in other circumstances, for example, when you make a payment to an independent contractor under a voluntary agreement.

Last updated 29 November 2024

PAYG withholding obligations

Pay as you go (PAYG) withholding obligations for not-for-profit organisations are the same as for businesses. Organisations that are exempt from income tax are not exempt from PAYG withholding obligations.

If your organisation has employees, you must withhold amounts from their pay and send the withheld amounts to us through the PAYG withholding system.

You may also have to withhold in other circumstances, for example, when you make a payment to an independent contractor under a voluntary agreement.

You must register your organisation with us when you are required to withhold from payments to your employees or your independent contractors (or both).

Under the PAYG system, independent contractors can provide for their own income tax liability by entering into voluntary agreements authorising your not-for-profit organisation to withhold amounts from their payments.

If your organisation is in a labour hire arrangement, it must withhold from payments to the labour hire firm if the firm has not quoted its ABN.

If your organisation provides workers to its clients under a labour hire arrangement, it must withhold from payments to these workers.

When a new employee starts provide them with a Tax file number declaration (NAT 3092) to complete and return to you.

If any of your employees or other payees has a Higher Education Loan Program (HELP), Australian Apprenticeship Support Loan (AASL) – previously known as Trade Support Loan (TSL) or Financial

Supplement debt, they must advise you of this. Your not-for-profit organisation will then need to withhold additional amounts from their payments.

Work out amount to withhold

To work out the amount to withhold from payments, you can either:

- use the tax withheld calculator (you can also download the ATO app for the simplified version of the calculator)
- obtain the relevant tax tables for withholding.

State and territory payroll tax

Payroll tax is a tax on the wages paid by employers. Employers are liable for payroll tax when their total Australian wages exceed a certain level called the 'exemption threshold'. Exemption thresholds vary between states and territories.

The payroll tax obligations for not-for-profit organisations are the same as for businesses, except in certain circumstances.

Some organisations may be exempt from payroll tax provided specific conditions are satisfied. These organisations may include religious institutions, public benevolent institutions, public or not-for-profit hospitals, not-for-profit non-government schools and charitable organisations.

You need to direct enquiries about state and territory taxes to the relevant state or territory revenue office and **not** to us.

For more information, see Payroll tax

QC 16965

Super guarantee requirements for not-for-profits

Find out about paying the right amount of super on time and when to lodge a superannuation guarantee charge statement.

Last updated 1 July 2022

> **This information is only for employee earnings paid up to 30 June 2026.**
>
> For employee earnings paid from 1 July 2026, the new Payday Super rules apply.

Overview

Your not-for-profit organisation **must** provide its eligible employees with:

- a minimum level of super contributions by the quarterly cut-off date
- a choice of super fund.

If you don't do this, you will need to:

- report to us by lodging a *Superannuation guarantee charge statement – quarterly*
- pay the super guarantee charge (SGC).

Organisations that are income tax exempt are **not** exempt from the superannuation guarantee legislation.

Most employees are covered by the super guarantee legislation. It covers those who are full time, part time or casual. It includes company directors, some artists, sportspeople and certain independent contractors.

Exceptions include employees who are:

- non-residents paid solely for work done outside Australia
- under 18 years old and who work no more than 30 hours in a week.

Paying super

You must provide a minimum amount of super contributions for your employees. This is the current super guarantee rate of each employee's ordinary time earnings.

Employee contributions do not count towards the employer's super guarantee obligations.

Employers must pay contributions at least quarterly, to either a:

- complying super fund
- retirement savings account.

If you send contributions and associated information electronically, you must make payments using SuperStream.

Table: Super quarters and cut-off and due dates

Super guarantee quarter	Cut-off date for payment of super contributions	Due date for lodgment of statement and payment of SGC
1 July – 30 September	28 October	28 November
1 October – 31 December	28 January	28 February
1 January – 31 March	28 April	28 May
1 April – 30 June	28 July	28 August

Super guarantee charge (SGC)

You must lodge a Superannuation guarantee charge statement and pay the SGC to us if you did not:

- pay the minimum level of super contributions for your employees by the quarterly cut-off date
- meet your choice of super fund obligations for the quarter.

The SGC includes the shortfall between what you should have paid (now calculated on all salary and wages) and what you actually paid. You also pay administration and nominal interest components.

If you make sufficient super contributions for your eligible employees by the relevant cut-off dates, they are generally tax deductible. However, the SGC is not tax deductible.

If you made a late super payment to an employee's super fund, you may be able to use it to:

- apply the offset to reduce the shortfall and nominal interest component of the SGC
- pay super in the current quarter
- put the payment towards future super payments (limited to a period no more than 12 months from the beginning of the quarter).

Choice of super fund

You must offer eligible employees a choice of super fund. Provide each new eligible employee with a Superannuation (super) standard choice (NAT 13080) form. Give this to them within 28 days of their start date. They can nominate a fund to receive their employer super contributions.

From 1 November 2021, if you have new employees start you may have an extra step to take to comply with the choice of fund rules if they don't choose a super fund. You may now need to request their stapled super fund details from us.

If you're an employer and need more information, visit Super for employers.

QC 16971

Fringe benefits tax for not-for-profit employers

Find out about fringe benefits tax (FBT) on benefits provided to employees of your not-for-profit organisation.

Last updated 12 January 2023

If your not-for-profit (NFP) organisation provides a fringe benefit to its employees or associates of its employees (such as family members), it may have to pay fringe benefits tax (FBT).

FBT is separate from income tax. It is calculated on the taxable value of the fringe benefits provided.

Your organisation may be eligible for FBT concessions for not-for-profit organisations.

As a general rule, your NFP organisation is not liable for FBT on benefits provided to independent contractors or volunteers.

QC 16967

Salary sacrifice arrangements and not-for-profits

Learn how your not-for-profit can offer salary sacrifice to employees, also known as salary or remuneration packaging.

Last updated 17 April 2026

Salary sacrifice arrangements for your not-for-profit organisation are the same as for businesses.

A salary sacrifice arrangement is also referred to as salary packaging or total remuneration packaging. It is an arrangement between an employer and an employee, where the employee:

- agrees to permanently forego part of their future entitlement to salary or wages
- receives benefits of a similar cost (to the employer) in return
- is likely to place greater value on the benefit than its cost to the employer.

An effective salary sacrifice arrangement will detail the amount of salary or wage income to be sacrificed. To be effective, the employee must enter into the arrangement:

- before they become entitled to be paid
- before they perform any work.

Under an effective salary sacrifice arrangement:

- the employee pays income tax on the reduced salary or wages
- the employer may be liable to pay fringe benefits tax (FBT) on the fringe benefits provided
- salary sacrificed superannuation contributions are classified as employer super contributions – not employee contributions. This means they are taxed in the super fund under tax laws dealing with this subject.

From 1 January 2020, salary sacrificed contributions:

- don't reduce the amount that the employer is required to calculate the employee's super entitlement on
- don't count towards the amount of super guarantee contributions that an employer is required to make to avoid the super guarantee charge.

Employers may be required to report certain benefits on their employees' income statements or payment summaries.

See also:

- Salary sacrifice arrangements for employees
- Workplace giving and salary sacrifice arrangements

QC 16972

Employment termination payments for not-for-profits

Employment termination payments (ETPs) are specific payments made to your not-for-profit organisation's employee when they stop working for you. ETPs are subject to concessional tax treatment depending on the employee's age and length of employment.

Last updated 12 December 2017

The employment termination payments (ETPs) obligations for your not-for-profit organisation are the same as for businesses.

ETPs are specific payments made to your not-for-profit organisation's employee when they stop working for you. ETPs are subject to concessional tax treatment depending on the employee's age and length of employment.

See also:

- Taxation of termination payments

QC 16970

Other obligations for not-for-profits

Your not-for-profit organisation may need to consider some other obligations to workers, such as child support payments, workplace giving, reporting and paying tax, and keeping records.

Last updated 12 December 2017

Your not-for-profit organisation may need to consider some other obligations to its employees and contractors.

The obligations listed below for not-for-profit organisations are the same as for businesses.

Child support payments

Sometimes employers are required to deduct money from employees' pay under the Child Support Scheme.

You do not need to do anything unless you are asked to by Child Support. If this happens, you will receive an employer package about what to do.

Child support deductions

Child support deductions are not tax amounts, so they should not be shown on payment summaries.

It is illegal to discriminate against any employee or potential employee because of their child support or maintenance obligations.

For more information, contact Child Support by:

- visiting the Services Australia website
- phoning their enquiry line **13 12 72**.

Workplace giving programs

Your employees may want to donate part of their pay to a deductible gift recipient (DGR) through a workplace giving program.

Workplace giving programs are arrangements where all of the following apply:

- part of an employee's pay is paid, or is to be paid, as a gift to a DGR
- the gift is paid by the employer at the direction of an employee
- the gift is made under a regular, planned giving arrangement.

See also

- Services Australia – separated parents
- Workplace giving programs and salary sacrifice arrangements

QC 46349

Record keeping for not-for-profits

Find out what types of records you need to keep as a not-for-profit and for how long.

Last updated 30 May 2025

Record keeping requirements

A good record keeping system will help you manage your tax obligations.

All organisations are required to keep accurate and complete records of all transactions relating to their tax and superannuation affairs. This includes not-for-profits.

Generally, for tax purposes, you must keep your records in an accessible form (either printed or electronic) for 5 years.

Basic records

Some of the basic records you may need to keep are:

- Governing documents such as
  - rules or articles of association
  - constitution
  - rule book
  - trust deed
- financial reports such as
  - financial statements
  - annual budgets
  - reconciliations
  - audit reports
  - accounts payable and accounts receivable
- cash book records of daily receipts and payments
- tax invoices and income tax records, such as
  - debtors and creditors lists

  - stocktake records
  - motor vehicle expenses
- records relating to employees such as
  - TFN declarations
  - pay as you go (PAYG) withholding
  - superannuation
  - fringe benefits provided
- records of payments withheld from suppliers who do not quote an Australian business number (ABN)
- banking records such as
  - bank statements
  - deposit books
  - cheque books
  - bank reconciliation
- grant documentation such as
  - when funding will be received
  - when acquittals need to be made
  - application deadlines
- registration, certificates and accompanying documents to regulators such as
  - ATO
  - Australian Charities and Not-for-profits Commission
  - state regulators
- contracts and agreements such as
  - cleaning, maintenance and insurance contracts
  - finance or lease agreements
- copies of reviews of entitlement to tax concessions
- records to help prepare tax statements and returns.

For more information see:

- Governing documents
- Manage your invoices, payments and records
- Statements and returns
- Not-for-Profit Law – provides legal information and advice.

Mutuality principle – record keeping

Taxable not-for-profits applying the mutuality principle should keep appropriate records demonstrating the basis on which certain member contributions meet the principle.

Generally, your records should show:

- the contributions have been made by all members to a common fund for the benefit of members only
- how you have identified and apportioned the transactions that are for the benefit of both members and non-members.

Example 1: record keeping for a social club applying the mutuality principle

The Young Professionals Society (the Society) is a taxable not-for-profit organisation that has a purpose to promote networking and business opportunities among young professionals. In addition to monthly member only networking events, it holds 4 or 5 ticketed social events throughout the year. It sells its discounted tickets to members and full cost tickets to non-members for the social events.

To become a member of the Society, individuals must:

- apply for membership via the process outlined in the Society's governing documents
- be accepted as a member by the Society's management committee
- pay a membership fee which covers all the member only networking events.

The Society decides that it would like to apply the mutuality principle. In relation to the member only networking events, the membership fees would be mutual receipts and non-assessable, and the expenses relating to those events are not tax-deductible expenses. In relation to the social events, only the members' tickets are mutual receipts and non-assessable. It can apportion its event-related revenue and expenses based on the percentage of members and non-members that purchase tickets.

The records which should be maintained by the Society should include records which detail:

- the contributions paid by all of its members for the year and the expenses that relate to provision of benefits to members
- the number of members and non-members who purchased tickets to its social events throughout the year
- the revenue obtained and expenses incurred by the Society in relation to the social events it has held throughout the year.

Charities – record keeping

If your charity is registered with the Australian Charities and Not-for-profits Commission (ACNC), you must keep certain financial and operational records explaining your charity's position and activities. Your charity must keep these records for 7 years to meet ACNC record-keeping obligations.

For more information see ACNC Record information: keeping records.

Deductible gift recipient (DGR) – record keeping

You must keep records that explain all transactions and other acts relevant to your organisation's status as a DGR. This requirement applies to both endorsed DGRs and listed by name DGRs.

The records must be in English or easily convertible to English and must be maintained for at least 5 years after the completion of the

transactions or acts to which they relate. The penalty for not keeping proper records is 20 penalty units.

Your records must show that the following were used only for your principal DGR purpose:

- all gifts, and deductible contributions, of money or property made to it for that purpose
- money received because of such gifts or deductible contributions.

If your organisation is endorsed as a DGR, as a whole, or listed by name as a DGR, it must keep adequate accounting and other records.

If your organisation is endorsed as a DGR for the operation of a fund, authority or institution, maintaining a gift fund will show it has used its gifts and deductible contributions and their accretions for the principal purpose of its fund, authority or institution. Your gift fund records will need to substantiate this has happened.

If your organisation maintains one gift fund for 2 or more funds, authorities or institutions which it operates, the records must identify gifts and deductible contributions made in respect of each separate fund, authority or institution. You must also show how these gifts and contributions, as well as money received by the fund as a result of them, have been used to further the principal purpose of that fund, authority or institution.

You don't have to keep a record if:

- we notify you that your DGR does not need to keep the record
- your DGR is a company that has been finally dissolved.

For more information see Penalties for the current penalty unit amount.

Record keeping for GST

You must have a tax invoice to claim a GST credit for purchases that cost more than A$82.50 (including GST). If your purchase is for A$82.50 or less you still need to have some documentary evidence to support your GST credit claim.

Your supplier has 28 days to provide you with a tax invoice after you request one. Wait until you receive it before you claim the GST credit, even if this is in a later reporting period.

An invoice containing incorrect or incomplete information is not a valid tax invoice. You may be able to treat it as a tax invoice if it is missing information that can be obtained from other documents the supplier has given you. Alternatively, you can ask your supplier to replace it with a complete and correct tax invoice.

If a supplier doesn't quote its Australian business number (ABN) you may be required to withhold the top rate of tax from their payment and send the withheld amount to us.

For more information see**:**

- Recipient created tax invoices
- Valid tax invoices and GST credits
- Withholding from suppliers.

Reconstructing records

If your records have been damaged, destroyed or lost, you need to reconstruct your records to ensure you have accurately calculated your taxable income and comply with general record keeping requirements.

There are several ways we can help you reconstruct your records – for more information, see Reconstructing your tax records. Previous copies of your records may also be held by other parties such as your bank or registered tax agent.

Example 2: social club reconstructing records

The Adventure Society (the Society) is a taxable not-for-profit bush walking society. In addition to holding member only bushwalking events, it holds ticketed social events throughout the year. It sells event tickets at a discount to members and at full cost to non-members.

The Society would like to apply the mutuality principle but is unable to locate its relevant records for the year. To accurately apply the mutuality principle, it can reconstruct its records by:

- obtaining a backup of its relevant records from its computerised accounting system

- contacting its bank to obtain a copy of its bank records, which contains entries detailing the contributions paid by all of its members throughout the year, ticket sale revenue from members and non-members and relevant event expenses incurred
- retrieving a ticket sales report and attendee list for the social events it held throughout the year from its event hosting and ticketing platform, broken down into member and non-member ticket categories
- contacting its event suppliers to obtain copies of invoices detailing relevant event expenses incurred.

QC 16904

GST for not-for-profits

NFP organisations must register for GST if their GST turnover is $150,000 or more. GST concessions are available.

Last updated 13 July 2023

Work out if your not-for-profit organisations needs to register for GST.

Registering for GST

If your not-for-profit (NFP) organisation's turnover is $150,000 or more, you must register for goods and services tax (GST).

Generally, if your NFP organisation is registered for GST, you will:

- remit GST, which you have charged, to the ATO for their sales of goods and services
- claim credits for the GST included in the price of goods and services bought in carrying on your activities.

If your organisation has a turnover of less than $150,000, you can choose to voluntarily register for GST. This decision should be made

based on the administrative needs of your organisation.

Generally, an organisation that registers for GST must stay registered for at least 12 months, even if its GST turnover is less than $150,000.

There are GST concessions available to your NFP organisation. If you receive grants or sponsorships, you may need to pay GST on the amount received.

You can also find out more about GST definitions and how you can structure your NFP organisation for GST purposes.

GST issues registers

For more information and guidance, see:

- Charities consultative committee resolved issues – for guidance on issues identified during industry consultation in the past
- GST issues registers– for issues from the GST issues registers that are not public rulings
- Public Rulings – for issues from the GST issues registers that are public rulings.

GST registration for not-for-profits

Check when your not-for-profit must register for GST if your turnover is $150,000 or more.

When not-for-profits are required to charge GST

If your organisation is registered for GST it will include GST in the price of goods and services unless they are GST-free sales or input-taxed. The type of sale will determine what GST you can claim on purchases.

When can not-for-profits claim GST

If your organisation is registered for GST it can claim a credit for GST included in the price of goods and services bought in carrying on its activities. There are conditions that apply before you can claim, and there are types of transactions that you can't

GST concessions for not-for-profits and government schools

See GST concessions available to not-for-profits, endorsed charities, gift-deductible entities and government schools.

GST branches, groups and non-profit sub-entities

There are a number of ways you can structure your organisation for goods and service tax (GST) purposes.

Grants and sponsorships for not-for-profits

If your not-for-profit (NFP) organisation receives grants or sponsorships, it may need to pay GST on the amount received.

GST and supplies by charities – benchmark market values

How to determine if supplies made by endorsed charities are for nominal consideration and therefore GST-free.

QC 33587

GST registration for not-for-profits

Check when your not-for-profit must register for GST if your turnover is $150,000 or more.

Last updated 30 July 2026

When your NFP must register for GST

If you're a not-for-profit (NFP) organisation, you must register for GST if you meet both of the following:

- You're carrying on an enterprise.
- Your GST turnover is $150,000 or more.

Once you're required to register for GST, you need to do so within 21 days.

If you're no longer required to be registered, you can cancel your GST registration.

If you're not an NFP, refer to Registering for GST to work out when you must register for GST.

If you don't register for GST when required

If you don't register for GST when you're required to:

- we must register you even if you didn't apply
- you may have to pay GST on supplies made since the date you were required to register
- penalties may apply.

When your GST turnover meets the registration threshold

Your GST turnover meets the registration turnover threshold if either:

- Your current GST turnover is $150,000 or more and your projected GST turnover is not below $150,000. Your current GST turnover consists of the value of most of your supplies made in the current month and the previous 11 months.
- Your projected GST turnover is $150,000 or more. Your projected GST turnover consists of the value of most of your supplies made in the current month and the next 11 months.

You don't have to register for GST or remain registered for GST if your projected GST turnover is less than $150,000, even if your current GST turnover is at or above $150,000.

If you're not registered for GST, check your turnover each month and take steps to register for GST if your projected GST turnover is $150,000 or more.

Working out your GST turnover

You must include the value of most of your supplies when working out your GST turnover, including:

- GST-free supplies, such as non-commercial activities and supplies of donated second-hand goods
- membership fees if you provide goods, services or rights to your members for those fees
- payments received from sport vouchers as these are part payments for the relevant sports registration
- payments from government if you provide goods, services or rights to the government.

You do not include in your GST turnover the value of the following:

- input-taxed supplies, such as certain fundraising events and supplies of food and beverages at a school tuckshop, which you have chosen to treat as input taxed
- gifts and donations that are voluntary and do not give the donor a material benefit
- supplies not connected with an enterprise that you carry on
- supplies not connected with Australia
- supplies to associates that aren't for payment and aren't taxable
- payments you receive that are not for any supply you make, for example, some government grants.

When working out your **projected** GST turnover, you also exclude:

- amounts you receive for the supply of a business asset, such as when you sell a capital asset

- any supply you make, or are likely to make, solely as a consequence of either ceasing to carry on your enterprise, or substantially and permanently reducing the size or scale of your enterprise.

How to register

You can register for GST or other taxes when you apply for an ABN.

If you already have an Australian business number (ABN), you can register for GST:

- online via Online services for business
- by phone on **13 28 66**
- through your registered tax or BAS agent.

We'll notify you in writing of your:

- GST registration details, including the date your registration is effective
- ABN details if you haven't already received them.

Your responsibilities if you're registered for GST

If you are registered for GST, you:

- are liable for GST on taxable supplies you make
- are entitled to GST credits for GST included in the price of things you purchase
- must lodge a business activity statement (BAS) to report and pay GST and claim GST credits
- must provide a tax invoice, for any taxable supply you make, within 28 days of a purchaser requesting it and include an amount of GST on the tax invoice.

You can claim GST credits for any GST included in the price of purchases you make related to your enterprise if you hold a valid tax invoice.

Some supplies you make do not include GST in the price. These are called GST-free supplies or input-taxed supplies.

You should consider what GST concessions are available to you if you're an endorsed charity, gift-deductible entity or government school.

Not registering for GST

If you are not registered and are not required to be registered for GST, you:

- don't include GST in the price of your supplies
- can't claim GST credits for the GST included in the price of purchases you make in carrying on your activities.

Choosing to register for GST when it's not required

If you're carrying on an enterprise and your GST turnover is less than $150,000, you can choose to register for GST.

Your decision to voluntarily register for GST should be based on your needs. You should consider whether the benefits to you, such as claiming GST credits, outweigh the administrative requirements of regularly lodging a BAS.

Example: NFP's GST turnover is below the registration threshold

Emu Eleven is an NFP cricket club. The club is not currently registered for GST.

Emu Eleven is working out its current and projected GST turnover at the end of February. The club must include the following when working out its GST turnover:

- membership fees for goods and services that it provides to members of the clubs
- sales at the club's canteen
- corporate sponsorship and advertising provided to local businesses.

When working out its GST turnover, Emu Eleven does not include donations received by local community members where it has not provided donors with a material benefit.

At the end of February, Emu Eleven works out that their:

- current GST turnover is $112,000
- projected GST turnover is $122,000.

Emu Eleven does not have to register for GST because its projected and current GST turnover is less than $150,000. The club may choose to voluntarily register for GST.

Emu Eleven should continue to monitor their GST turnover. If the club reaches the turnover threshold in the future, they must register within 21 days.

Non-profit sub-entities

If you're an endorsed charity, gift-deductible entity that is an NFP, government school or an income tax exempt NFP, you may choose to create non-profit sub-entities for your separately identifiable branches.

Non-profit sub-entities are separate entities for GST purposes. A non-profit sub-entity can have its own ABN and be registered for GST.

The GST registration threshold for a non-profit sub-entity is $150,000 or more. This applies to each non-profit sub-entity created by the parent entity.

For more information on when you can create a non-profit sub-entity, see GST branches, groups and non-profit sub-entities.

QC 16958

When not-for-profits are required to charge GST

If your organisation is registered for GST it will include GST in the price of goods and services unless they are GST-free sales or input-taxed. The type of sale will determine what GST you can claim on purchases.

Last updated 13 April 2018

If your organisation is registered for GST, or required to be, you will generally be liable to pay GST to us on the sales of your goods and services. These are called taxable sales.

There are other types of sales where your organisation is not liable to pay GST to us. These are:

- GST-free sales
- input-taxed sales.

Taxable sales

You are liable to pay GST to us when your organisation makes a taxable sale. Your organisation makes a taxable sale if it is registered or required to be registered for GST and:

- you make the sale for payment (whether monetary or non-monetary)
- you make the sale as part of the organisation's activities
- the sale is connected with the indirect tax zone
- the sale is not GST-free or input taxed.

The GST you are liable to pay is equal to 1/11th of the sale price.

Your organisation can claim GST credits for the GST included in the price of purchases it uses to make a taxable sale.

GST-free sales

Your organisation is not liable to pay GST on a GST-free sale. GST-free sales include:

- basic food items – such as fruit and vegetables, meat, bread and plain milk
- some education, child care and health services

- some exports.

Your organisation can claim GST credits for the GST included in the price of purchases it uses to make a GST-free sale.

Input-taxed sales

Your organisation is not required to pay GST when it makes an input taxed sale. Input taxed sales include:

- the sale of residential property (unless it is new)
- leasing of residential property
- financial transactions, such as providing a loan.

Your organisation cannot claim GST credits for the GST included in the price of purchases it uses to make an input taxed sale.

Collecting and claiming GST on different types of sales

It is important to understand which type of sales your organisation makes because this affects whether your organisation is liable to pay GST on the sale and whether it can claim GST credits on the purchase – see the table below.

Collecting and claiming GST on different types of sales

Type of sale	Do you collect GST on your sales?	Can you claim GST credits on your purchases?
Taxable	Yes	Yes
GST-free	No	Yes
Input taxed	No	No

See also:

- When to charge GST (and when not to)

- GST and property
- Accounting for GST in your business

QC 55093

When can not-for-profits claim GST

If your organisation is registered for GST it can claim a credit for GST included in the price of goods and services bought in carrying on its activities. There are conditions that apply before you can claim, and there are types of transactions that you can't claim a credit for.

Last updated 13 April 2018

If your organisation is registered for GST it can claim a credit for any GST included in the price of goods and services bought in carrying on its activities.

Your organisation claims GST credits in its business activity statement.

Claiming GST credits

You can claim GST credits if the following conditions apply:

- you intend to use your purchase solely or partly for your organisation, and the purchase does not relate to making input-taxed supplies
- the purchase price includes GST
- you provide or are liable to provide payment (whether monetary for non-monetary) for the item you purchased
- you have a tax invoice from your supplier (for purchases more than $82.50 including GST).

You should ensure your suppliers are registered for GST before you make a claim on your activity statement for the GST credits. You can

check the GST registration status of an entity by searching the ABN Lookup.

Note: A four-year time limit applies for claiming GST credits.

When you cannot claim a GST credit

You cannot claim a GST credit:

- without a valid tax invoice
- for purchases that do not have GST in the price
- for wages you pay to staff (there is no GST on wages)
- for motor vehicles priced above a certain limit.

Goods and services that don't have GST in their price include:

- GST-free items (such as basic foods)
- input-taxed items (such as bank fees and loan interest)
- purchases from a business that is not registered for GST or required to be registered for GST (as GST isn't included in the price).

You also cannot claim GST credits for the following, even if GST is included in the price:

- purchases you intend to use for private or domestic purposes
- purchases you intend to use to make input-taxed supplies, such as those associated with providing residential accommodation
- some purchases that you can't claim as an income tax deduction, such as entertainment expenses
- land purchases under the margin scheme.

See also:

- Claiming GST credits
- GST and property
- Accounting for GST in your business

QC 55094

GST branches, groups and non-profit sub-entities

There are a number of ways you can structure your organisation for goods and service tax (GST) purposes.

Last updated 30 July 2026

GST groups for not-for-profits

You may choose to form a GST group if you and all of the potential group's members meet all of the following conditions:

- You are registered for GST.
- You are not-for-profits (NFPs) and members of the same not-for-profit association.
- You are not members of any other GST group.
- You have no branches for GST purposes.
- You have the same tax periods and account for GST on the same basis.

If you're not an NFP, refer to GST groups for more information on when you can form a GST group.

For more information on how to notify us of your choice to form a GST group, see GST group – forming, changing or cancelling.

Benefits of forming a GST group

Forming a GST group may be useful for NFPs that:

- are members of the same not-for-profit association
- regularly make supplies and purchases between each other.

If you're a member of a GST group, transactions between the group members are ignored for GST purposes. This means you:

- don't pay GST to us on supplies made between members

- don’t have to issue tax invoices for supplies between members
- can’t claim GST credits on purchases between members.

One member of the GST group must be nominated as the representative member. This member must be an Australian resident for tax purposes. Other members don't need to be Australian residents for tax purposes.

The representative member lodges the business activity statement (BAS) to report GST and claim GST credits for all members of the group. This means the representative member is responsible for paying for GST on taxable supplies made by members to entities outside the group and claiming GST credits for all purchases made from entities outside the group.

The GST group is treated as a single entity when working out:

- the amount of GST credits
- whether the representative member has an adjustment, including the amount of the adjustment.

GST religious groups

If you’re a religious organisation endorsed by us as an income tax exempt charity, you may choose to form a GST religious group with another religious organisation if you meet all of the following:

- You are registered for GST.
- All the other members, and proposed members, of the GST religious group are charities registered with the Australian Charities and Not-for-profits Commission (ACNC) and endorsed by us as exempt from income tax.
- You, and all of the other religious group members, are part of the same religious organisation.
- You are not a member of any other GST religious group.

One of the group members must be nominated as the GST religious group’s principal member. This entity must be an Australian resident for tax purposes. Other members don't need to be Australian residents for tax purposes.

A GST religious group must commence from a date that is the beginning of a tax reporting period for all group members.

For more information on how to apply to form a GST religious group, see GST religious group – forming changing or cancelling.

As an ACNC-registered religious institution, you may be eligible for a range of tax concessions for GST, income tax and fringe benefits tax.

Benefits of forming a GST religious group

If you're a member of a GST religious group, transactions between the GST religious group members are ignored for GST purposes. This means you:

- don't pay GST to us on supplies made between members
- don't have to issue tax invoices for supplies between members
- can't claim GST credits on purchases between members.

This reduces the administrative and cash flow costs associated with intragroup transactions.

Each member of the GST religious group must individually:

- be registered for GST
- pay GST on supplies made outside of the GST religious group
- claim GST credits on purchases made from entities outside the religious group
- lodge a BAS with us.

This is different to a GST group where only the representative member of the group lodges the BAS, pays GST to us and claims GST credits.

Members of a GST religious group are treated as a single entity when working out:

- entitlement to GST credits and the amount of those credits
- whether there are any adjustments and the amount of those adjustments.

Non-profit sub entities

You may choose to treat each branch as a separate entity for GST purposes if you meet all of the following conditions:

- You are an endorsed charity, government school, gift-deductible entity that is an NFP, **or** you are an income tax exempt NFP that sits in one of the following categories
  - education and science
  - community service
  - employment organisations
  - primary and secondary resources
  - tourism
  - sporting and cultural organisations.
- You are registered for GST and remain registered while you have one or more non-profit sub-entities.
- The branch maintains an independent system of accounting.
- The branch is separately identifiable.
- You record your choice to treat each branch as a separate entity.

If you choose to treat a branch as a separate entity, you're called the 'parent entity', and the separate entity is called a 'non-profit sub-entity'.

A non-profit sub-entity is a separate entity for GST purposes only. A non-profit sub-entity can:

- have its own Australian business number (ABN)
- register for GST
- apply the same GST concessions as the parent entity.

A non-profit sub-entity is **not** a separate entity for fringe benefits tax (FBT), income tax or pay as you go (PAYG) purposes.

You can't revoke your choice to create a non-profit sub-entity for 12 months. You also can't make a new choice within 12 months after revoking your previous choice.

Maintaining an independent system of accounting

The records of the non-profit sub-entity must be clearly distinguished from the records of the parent entity. You can maintain clearly identifiable records by using separate cash receipts and cash payment books. You can also show this by having separate bank accounts or books.

Keeping a branch separate from your parent entity

A branch can be separately identified from the parent entity by either the:

- location of the branch
- activities carried on through the branch.

GST registration threshold for non-profit sub entities

The GST registration threshold for a non-profit sub-entity is $150,000 or more. This applies to each non-profit sub-entity created by the parent entity.

The GST registration threshold for a non-profit sub-entity may be different to the parent entity if the parent entity is not an NFP.

If a non-profit sub-entity is registered for GST, it must lodge its own business activity statement separate from the parent entity. For more information see GST registration for NFPs.

Example: choosing to create a non-profit sub-entity

Green Hill State School is a government school for primary school students.

A branch of Green Hill runs an annual fete for the students at the school. The activities are separately identifiable to Green Hill's activities of educating students. The branch maintains a separate bank account and accounting books for the fete and its activities. Green Hill can clearly distinguish the branch's records from its own.

Green Hill has decided to create a non-profit sub-entity for the annual fete run by the branch. Green Hill records this decision in its meeting minutes. The non-profit sub-entity can have an ABN and may choose to register for GST. However, the non-profit

sub-entity is not required to register for GST because its current or projected GST turnover is below $150,000, as the fete's sales total $72,000.

Registering non-profit sub-entities for GST concessions

A non-profit sub-entity can be endorsed by us to access GST concessions if the parent entity is also both:

- endorsed by us
- a registered charity with the Australian Charities and Not-for-profits Commission (ACNC).

A non-profit sub-entity can't be endorsed for other tax concessions as it is only recognised as a separate entity for GST purposes.

For all other endorsements, the non-profit sub-entity is treated as part of the parent entity.

GST branches

You may choose to separately register a branch for GST if it suits your management and accounting structure.

You can register your branch if you meet all of the following:

- The parent entity is registered for GST.
- The branch has an independent system of accounting.
- The branch can be separately identified (either because of its distinctive activities or location).
- You are carrying on (or intend to carry on) an enterprise through the branch.
- The entity is not a member of a GST group.

For more information on how to register and operate a GST branch, see GST branches.

Grants and sponsorships for not-for-profits

If your not-for-profit (NFP) organisation receives grants or sponsorships, it may need to pay GST on the amount received.

Last updated 20 April 2023

Grant funding

Often organisations secure funding from:

- government bodies
- foundations
- ancillary funds
- private purpose funds.

You don't have any GST implications if the funding or grant is not for a supply. However, if you provide something of value in return for the grant, then this means it can be a supply and you may have to pay GST if your organisation is already registered or otherwise required to be registered for GST.

When you are not required to pay for GST

Generally, a grant is not considered a payment for a supply if you are only required to meet eligibility criteria to receive the grant.

Eligibility criteria you may need to satisfy to receive a grant can include:

- undertaking activities in specific areas of impact, for example, homelessness and affordable housing
- operating in a specific location
- deductible gift recipient (DGR) status
- acquittal reporting.

Example: No payment for services

A foundation provides financial support to various organisations that provide developmental opportunities for disadvantaged young people through sports. One such organisation is the Southside Youth Centre. The centre is registered for GST. The foundation admires the work of the centre and wants to help. After discussions with the centre about its financial needs, the foundation agrees to make a payment to the centre. Although the foundation expects the centre to use the money to further its activities, the centre is under no obligation to use the money for any particular purpose.

In this case the organisation is not making a supply to the foundation because it has not entered into a binding obligation to do anything, nor provide anything else in exchange for the payment. The foundation has only an expectation that the organisation will use the money to further its activities. An expectation is not enough to create a supply by the organisation to the foundation. The organisation is not required to pay GST on the payment received.

Example: No payment for services

Sunnyville Men's Shed is an organisation that provides a space for men in the local community to come together to work on wood-working projects. The organisation applied for a state government grant which was advertised to help Men's Sheds purchase equipment and maintain their buildings.

Sunnyville met the eligibility requirements in the funding application and was awarded the grant which they will use to purchase new wood-working equipment for the shed. They have agreed to lodge an acquittal and provide proof of purchases once the funding has been spent.

Sunnyville does not have any binding obligations in return for the provision of the payment. The payment is not for any supply provided by the organisation to the state government.

Sunnyville Men's Shed does not have to pay GST on the grant received.

When you are required to pay for GST

Providing something of value for the payment will require you to do something more than just meet the eligibility criteria.

You will be making a supply for the payment if you:

- enter into a binding legal obligation to do something
- enter into a binding legal obligation to refrain from doing something
- provide goods and services.

If the grant is for a supply that is a taxable supply, you will be required to remit 1/11th of the grant as GST.

Example: Payment for services

A government department grants funds to an NFP organisation that operates a counselling centre. The organisation is registered for GST. There is a binding agreement between the department and the organisation that requires the organisation to deliver programs that support government initiatives. The agreement requires the organisation to provide counselling services to the general public, using fully qualified counsellors. The organisation must use the funds to provide the services, otherwise it must repay the funds to the department. The organisation must also repay any unspent funds at the end of the period covered by the agreement.

The NFP organisation makes a supply of an obligation to provide counselling services, and the funding is payment for the supply. The organisation is required to pay GST on the amount of funding received.

Grant funding provided by ancillary funds

Ancillary funds are a type of trust (public or private) that provide money, property or benefits to deductible gift recipients (DGRs).

Ancillary funds may choose to focus their funding or grants in specific areas, for example the arts, benevolent relief or medical research. They may approach a DGR directly to offer funding or a grant or they may invite DGRs to apply for a grant if they meet certain eligibility criteria.

Generally, ancillary funds enter into funding agreements with DGRs when they provide a grant. Funding agreements generally do not create a binding contract, they merely express an expectation that the DGR will use the grant to further its activities. An agreement may set out how a grant needs to be spent, whether progress and acquittal reports are required, and whether funds need to be returned if they are not spent within a defined time frame.

In most cases, funds are used by DGRs to further their own purposes and they do not make a supply to the ancillary fund. While a funding agreement may create an expectation to do something, it generally does not create a supply. Where a DGR has not made a supply to the ancillary fund, they are not required to pay GST on the payment received.

Example: Ancillary fund grant no supply

Better Community Foundation is a public ancillary fund offering funding to DGRs providing homelessness services and affordable housing. Homes for Humans is a DGR and successfully applied for funding. They will use the funding to provide temporary accommodation and essential services for people experiencing homelessness.

Homes for Humans was required to sign a funding agreement that outlined how money would be spent and an acquittal process.

While there is a funding agreement in place, it is not legally binding on the parties and only creates an expectation that the funding will be used to further Homes for Humans activities. There is no supply made to Better Community Foundation, therefore Homes for Humans is not required to pay GST on the payment received.

Example: Ancillary fund grant taxable supply

Better Community Foundation is focussed on increasing the impact of its funding and decides to commission research on the causes and impacts of homelessness on people living in regional areas.

The Foundation enters into an agreement with a university to provide funding for research. The university will conduct the research within a set time frame and have agreed to provide a report on their findings. The report will be used by the Foundation to target their future grant making to DGRs to achieve better social outcomes.

The university has made a supply to the Foundation in return for the funding. It is required to pay GST on the amount of funding received.

Sponsorship

Under a sponsorship arrangement, when an organisation undertakes a fundraising activity, it often receives support in the form of money. In return, it may provide:

- advertising
- signage
- naming rights
- some other type of benefit of value.

This means that the sponsor receives something of value in return for the sponsorship, so the sponsorship payment is not a gift. If the organisation is registered for GST, it has to pay GST on the sponsorship it receives.

Example: Advertising services

A GST-registered charity holds a car rally for fundraising purposes. A business agrees to pay money to sponsor the rally,

provided the charity acknowledges the business's support by erecting advertising banners along the rally course.

The charity is providing advertising services in return for the sponsorship payment. As the charity is registered for GST, it is required to pay GST on the amount of sponsorship received from the business.

A contra sponsorship arrangement occurs when goods or services (not money) are provided in return for other goods or services. If both parties are registered for GST they will be making taxable sales to one another. Each will have a GST liability for the sale they have made, and an entitlement to a GST credit for their respective purchases. Each party must report amounts for both the sale and the purchase on their respective activity statements.

Example: Advertising and sales

A GST-registered NFP organisation is raising funds by holding a netball competition. A business that sells sports clothing sponsors the event by providing all the competitors with netball uniforms, on the understanding that the business's logo is displayed prominently on the uniform. The business is also registered for GST.

The NFP organisation is providing advertising services to the business and the business is selling the netball uniforms to the organisation. As each entity is registered for GST, each must pay GST on the supply they make.

Likewise, the NFP organisation purchases netball uniforms from the business and the business purchases advertising services from the organisation. Each entity claims a GST credit for the purchase they make.

QC 19500

Dealing with suppliers

Explains withholding in business transactions and not-for-profit eligibility for supplier discounts.

Last updated 20 July 2015

If a supplier of goods and services does not quote their ABN, your not-for-profit (NFP) may have to withhold an amount from payments to them. For NFP organisations seeking discounts from suppliers, we have information about proving your organisation's NFP status.

Follow the links below for information on:

- Withholding in business transactions
- Not-for-profit eligibility for supplier discounts

Withholding in business transactions

A business or organisation carrying on an enterprise should quote their Australian business number (ABN) when supplying goods or services to another enterprise.

Not-for-profit eligibility for supplier discounts

Suppliers of goods or services who offer discounts to not-for-profit community organisations often ask them to provide information to support their claim to the discount. A statement from the ATO is sometimes listed by the suppliers as the type of information useful to prove a claim.

QC 46360

Withholding in business transactions

A business or organisation carrying on an enterprise should quote their Australian business number (ABN) when supplying goods or services to another enterprise.

Last updated 10 June 2021

If a business or organisation supplies you with goods or services, it should quote its Australian business number (ABN) to you. Most quote their ABN on their invoice, and you need to keep this invoice in your business records. They can also quote their ABN to you on another document as long as it relates to the supply they are making.

If they don't quote their ABN, you must withhold the top rate of tax from their payment you make to them and send the withheld amount to us.

Your organisation should not withhold if any of the following applies:

- The total payment to the supplier is $75 or less, excluding any goods and services tax (GST).
- The supplier is an individual under 18 years old, is not your employee, and the payments you make to that person do not exceed $350 per week.
- The supply is wholly input taxed under GST – this includes:
  - most financial supplies
  - supplies of residential rent, residential premises and some precious metals
  - food supplies by school tuckshops and canteens that have chosen to be input taxed.

Contact us if you are not sure whether a supply is input taxed.

Also, your organisation should not withhold if it is satisfied that any of the following applies:

- The supply is made in the supplier’s private capacity or as their hobby.
- The payment is exempt income for the supplier – for example, the supplier is an endorsed charity.

- The payment is to a non-resident who is not carrying on an enterprise in Australia or through an agent in Australia.
- The supplier is not an enterprise because they have no reasonable expectation of profit or gain.

If you are unsure, ask the supplier to give your organisation a written statement that the supply is excluded for one of these reasons. Your organisation must keep this statement for five years.

See also:

- Statement by a supplier not quoting an ABN

Withholding from a payment

Before your organisation withholds from a payment, it needs to make sure it is registered for pay as you go (PAYG) withholding. If your organisation is withholding from employee wages, it should already be registered for PAYG withholding. It may have done this when it applied for an ABN. If it did not, it can register for PAYG withholding at any time.

If you are not registered for PAYG, phone us on **13 28 66**.

If a supplier does not quote their ABN to your organisation and you are not satisfied that one of the exclusions applies, your organisation must withhold the top rate of tax from the total payment. Your organisation should also withhold if it doubts that the ABN quoted is correct. If you are unsure, you can check the validity of a supplier's ABN by using the Australian Business Register (ABR).

Next steps:

To check an ABN using the Australian Business Register:

- visit ABN Lookup
- phone the automated checking service on **13 72 26.**

If a supplier does not have an ABN you could offer to delay payment until the supplier has obtained and quoted their ABN. Delaying the payment is a matter for you and your supplier to work out.

You **must not** make full payment to the supplier on the understanding that an ABN will be quoted later. If you do, you may be subject to penalties for the amount you did not withhold.

You need to add together any amounts your organisation has withheld for PAYG withholding purposes and send the total to us with your organisation's next activity statement.

If your organisation withholds from a payment for not quoting an ABN, complete a PAYG payment summary – withholding where ABN not quoted and give it to the supplier at the same time as your organisation pays them the net amount (or as soon as possible afterwards). The supplier will need this payment summary to claim the withheld amount as a credit when they lodge their income tax return.

See also:

To register for PAYG withholding, complete one of the following forms:

- Add a new business account – if your organisation has an ABN
- Application to register a PAYG withholding account – if your organisation is not required to have an ABN.

Quote your ABN on your business stationery

It is a good idea to quote your organisation's ABN on its invoices and other stationery to avoid having amounts withheld from payments for supplies your organisation has made. If your organisation is registered for GST, other organisations will also need your organisation's ABN on tax invoices you provide them so they can claim GST credits for the GST included in the price of goods and services your organisation supplied.

QC 16909

Not-for-profit eligibility for supplier discounts

Suppliers of goods or services who offer discounts to not-for-profit community organisations often ask them to provide information to support their claim to the discount. A statement from the ATO is sometimes listed by the suppliers as the type of information useful to prove a claim.

Last updated 31 January 2019

Suppliers of goods or services who offer discounts to not-for-profit (NFP) organisations often ask them for information to support their claim to the discount. Suppliers often ask for a statement from us to prove a claim. The ATO cannot provide a statement confirming an organisation is a NFP.

Organisations self-assess (that is, work out for themselves) that they are NFP. Many NFP organisations also self-assess their income tax status and we cannot provide a statement confirming their status.

However, we do send written notices to organisations we have endorsed with:

- charity tax concessions
- deductible gift recipients (DGR)

You can also confirm an organisation's endorsements for charity tax concessions and DGR on ABN Lookup.

See also:

- Is your organisation income tax exempt?

Other documents

Indicators of your organisation's NFP status or particular community purposes include its:

- constitution or governing rules
- trust deed (if it is a trust)
- registration or association with other regulatory bodies that require not-for-profit status or the particular community purpose for registration.

This list is provided to help organisations that do not receive endorsement notices. As it is the supplier who is offering the discount, the supplier will ultimately decide how it applies its discount policy.

QC 16644

State and territory requirements for not-for-profits

Information about state and territory regulation of fundraising activities such as bingo, raffles and doorknock appeals.

Last updated 27 June 2018

States, territories and local governments have their own laws regulating the fundraising activities of NFP organisations.

The information about state and territory fundraising has been provided by the regulators for that state or territory – you should check with the regulator to make sure information is current.

Find out about:

- Australian Capital Territory
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia
- Local government requirements

See also

- Not-for-Profit Law - provides legal information and advice

Australian Capital Territory

Fundraising in the Australian Capital Territory is regulated by:

- ACT Gambling and Racing Commission
- Access Canberra.

These regulators have provided the information in this section.

ACT Gambling and Racing Commission

What types of fundraising activities are regulated?

The relevant legislation is the *Lotteries Act 1964*. While the definition of 'lottery' is broad, fundraising activities regulated by the Commission are primarily raffles, housie (bingo) and, to a lesser degree, calcuttas.

What permits or approvals are required?

Generally, a permit is required to conduct the abovementioned activities. There may be exceptions where either:

- the organisation is NFP and the prize value is less than $500
- a club/association wants to conduct a lottery among members only and there is no external advertising.

A copy of *Information and conditions* for each fundraising activity is available on the Commission's website (see below).

Other issues to consider

For housie applications, the Commission may also need to consider provisions under the Gambling and Racing Control (Code of Practice) Regulation 2002. A copy is available on the Commission's website.

To contact the ACT Gambling and Racing Commission:

- visit gamblingandracing.act.gov.au
- phone **(02) 6207 0361**
- fax **(02) 6207 7390**
- email lotteries@act.gov.au
- mail

  ACT Gambling and Racing Commission
  PO Box 214
  CIVIC SQUARE ACT 2608

Access Canberra

What types of fundraising activities are regulated?

In the ACT, all types of collections made for charitable purposes are regulated by the *Charitable Collections Act 2003*. Collections include money or goods donated or sold. They include personal door-to-door and public place collections, collection bins, collections by telephone, written appeals, internet and other forms of electronic communication.

What permits or approvals are required?

Unless exempt, collecting for charity requires a licence. A licence application form is available on Access Canberra's website (see below).

Do you need a licence?

You must have a licence (or be included on the licence of a current licensee) if you intend to conduct a collection within the ACT that is not exempt under the *Charitable Collections Act 2003*. For more information, visit Access Canberra's website.

Exempt collections

For some types of collections the *Charitable Collections Act 2003* provides exemption from the requirement to be licensed.

The following are declared not to be a collection:

- where money is received by a school and is a genuine fee or charge by the school for educational purposes, or a voluntary contribution to the school for educational purposes that is solicited or received from a person with parental responsibility for a child who is enrolled at the school
- where the collection is less than $15,000 in a financial year, or
- where the collection is undertaken by an organisation accredited by AusAID.

We recommend that you visit Access Canberra's website for charitable collections in the ACT. The site provides access to a greater level of information on the licensing and reporting requirements under the Act, and provides easy access to all forms required by applicants and/or licensees in meeting the obligations under the Act.

To contact Access Canberra:

- visit accesscanberra.act.gov.au
- phone **(02) 6207 3000**
- fax **(02) 6207 0424**
- email ors.bil@act.gov.au
- mail

  Access Canberra
  GPO Box 158
  CANBERRA CITY ACT 2601

New South Wales

Charitable fundraising in New South Wales is regulated by NSW Fair Trading.

This regulator has provided the information in this section.

NSW Fair Trading

What types of fundraising activities are regulated?

In New South Wales, the raising of money for a charitable purpose – that is, conducting a fundraising appeal for a charitable purpose – is governed by the *Charitable Fundraising Act 1991*.

The soliciting or receiving of any money, property or other benefit from the public constitutes a fundraising appeal for a charitable purpose if a representation is made (this may be implied) that the appeal is for a charitable purpose or for the support of an organisation having a charitable object.

An appeal may take a variety of forms – donations, sponsorship, telethons, the conduct of lotteries and games of chance, the supply of food, entertainment or other goods or services, or in connection with any other commercial undertaking. A membership drive undertaken by an organisation is a fundraising appeal if one of the objects of the organisation is a charitable object. The term is not limited to simple collections from the public.

If your organisation conducts fundraising appeals for a purpose that is not charitable, then the raising of that money is not governed by the *Charitable Fundraising Act 1991*.

However, if this fundraising includes a form of lottery or game of chance, it may be governed by the *Lotteries and Art Unions Act 1901*. Persons, charities and other organisations may be authorised under this Act to conduct certain lotteries and games of chance as fundraising activities, social pastimes or entertainment, or to promote the sale or use of products or services.

These lotteries and games of chance include activities such as raffles, art unions, charity housie and lotteries for the promotion of a trade or business.

What permits or approvals are required?

If your organisation intends to fundraise for a charitable purpose it must hold an authority to fundraise, which is a form of NSW government licence. NSW Fair Trading is responsible for issuing this type of licence.

If you are a person or an organisation who intends to fundraise for a charitable purpose you must be an authorised fundraiser. However, an authority will only be issued to a natural person in exceptional circumstances.

If you intend to fundraise for a charitable purpose in the name of, or on behalf of, another organisation, the appeal must be authorised by that organisation which in turn must either be an authorised fundraiser or be exempt from the need to be an authorised fundraiser.

Some organisations are allowed to conduct fundraising appeals for a charitable purpose without holding an authority to fundraise, if they are established under a New South Wales Act and are subject to the control of a New South Wales government minister. However, these organisations are still required to comply with the other provisions of the *Charitable Fundraising Act 1991*. Parents and citizens associations and New South Wales state emergency services are examples of such organisations.

Certain religious bodies are also exempt from most provisions of the *Charitable Fundraising Act 1991*.

An authority to fundraise is issued with certain conditions, which are aimed at ensuring financial, fundraising and management accountabilities.

Some forms of lotteries and games of chance require a permit. These include art unions, charity housie, lucky envelopes and chocolate

wheels.

To contact NSW Fair Trading:

- visit www.fairtrading.nsw.gov.au – where you can find
  - more information about NSW charitable fundraising laws
  - application forms
  - fact sheets on charitable fundraising and community gaming.

- phone **(02) 9895 0011**
- email
  - charity.inquiries@finance.nsw.gov.au
  - lottery.inquiries@olgr.nsw.gov.au

- mail:

  NSW Fair Trading
  PO Box 972
  PARRAMATTA NSW 2124

See also:

For information about licence holders, visit onegov.nsw.gov.au

Northern Territory

Fundraising in the Northern Territory is regulated by the Licensing, Regulation and Alcohol Strategy Division, NT Department of Business.

This regulator has provided the information in this section.

Licensing, Regulation and Alcohol Strategy Division, NT Department of Business

What types of fundraising activities are regulated?

The relevant legislation is part IV of the *Gaming Control Act* and attendant Regulations, which regulate the following activities:

- lotteries

- trade lotteries
- games of chance in the nature of a lottery (raffles, sweepstakes, calcuttas, bingo, mini-lotto and tipping competitions).

What permits or approvals are required?

A permit is required to conduct lotteries and trade lotteries that offer a total prize pool of more than $5,000. A permit is not required for trade lotteries that have been granted a permit interstate.

Minor lotteries: A minor lottery is where the total value of tickets available for sale is between $5,001 and $20,000.

Major lotteries: A major lottery is where the total value of tickets available for sale exceeds $20,000.

Trade lotteries: A trade lottery is where the total value of prizes offered exceeds $5,000.

Other issues to consider

Only approved associations, or a person who has obtained the express permission of the minister, may conduct a lottery or game in the nature of a lottery in the Northern Territory. Any person carrying on a trade or business in the Territory may conduct a trade lottery.

To contact the Licensing, Regulation and Alcohol Strategy Division, NT Department of Business:

- visit dob.nt.gov.au/gambling-licensing
- phone **(08) 8999 1800**
- fax **(08) 8999 1888**
- mail

Licensing, Regulation and Alcohol Strategy Division
NT Department of Business
PO Box 1154
DARWIN NT 0801

Queensland

Fundraising in Queensland is regulated by the:

- Office of Fair Trading, Queensland
- Office of Liquor and Gaming Regulation.

These regulators have provided the information in this section.

Office of Fair Trading, Queensland

What types of fundraising activities are regulated?

The Office of Fair Trading (OFT) administers the *Collections Act 1966*, which regulates charitable associations and community purpose organisations that conduct appeals for public support or fundraising in Queensland. Any organisation that wants to publicly fundraise for a charitable or community purpose is governed by this Act.

Activities regulated by OFT under the *Collections Act 1966* include:

- fundraising appeals
- door-to-door appeals and street collections, and
- commercial appeals on behalf of charities by entrepreneurs.

What permits or approvals are required?

Under the *Collections Act 1966*, you may require either of the following two approvals.

Registering a charitable association

To be registered as a charitable association, an association's objectives must meet the definition of 'charitable purpose' under the *Collections Act 1966*. The applicant needs to complete *Form 1 – Application for registration* and lodge it with OFT for approval.

If approved, OFT will issue the applicant with *Form 2 – Certificate of registration as a charity*. It is a one-off requirement for each charity to register if it intends conducting appeals for support. A registered charity may continue to fundraise until its registration is cancelled or it is directed to cease fundraising.

Obtaining a sanction for authority to fundraise

Organisations wanting to fundraise or conduct an appeal for a community purpose may be required to apply for a sanction. The applicant needs to complete *Form 5 – Application for sanction* and lodge it with OFT for approval.

If approved, OFT will issue the applicant with *Form 6 – Certificate of sanction*. The organisation may continue to fundraise until the sanction expires, it is cancelled or it is directed to cease fundraising.

What is the difference between a charitable association and community purpose organisation?

A charitable association is an organisation established solely for any charitable purpose as defined by the *Collections Act 1966*. A community purpose organisation is an organisation that raises funds or conduct appeals for the general welfare of the community.

See also:

- fairtrading.qld.gov.au – to apply to register a charitable association or for a sanction to fundraise

Conducting a door-to-door appeal or street collection

Once registered as a charitable association or a sanction is obtained, certain rules must be followed when making door-to-door appeals and street collections.

The applicant needs to complete *Form 8 – Application to have a day assigned for a door-to-door appeal or street collection* and lodge it with OFT for approval. If approved, the applicant will receive either *Form 9 – Assignment of day for door-to-door appeal* or *Form 10 – Assignment of day for street collection*, depending on which of the two approvals is sought.

Other issues to consider

Registered charitable associations and sanctioned organisations must have their financial records audited annually. A copy of the audited financial statement must be submitted to OFT within seven months of the end of the organisation's financial year. A current copy of the organisation's constitution must be held with OFT. The public can search these documents for a small fee.

Some elements of fundraising or charitable activities in Queensland require approvals from other regulatory bodies. For example, fundraising activities involving liquor are regulated by the Office of Liquor and Gaming Regulation (OLGR).

See also:

For liquor licensing, visit olgr.qld.gov.au

To contact the Office of Fair Trading, Queensland:

- visit fairtrading.qld.gov.au – for more information on charitable associations and fundraising in Queensland. phone **13 QGOV (13 74 68)**
- email BrisbaneOFT@justice.qld.gov.au
- mail:

  Office of Fair Trading Queensland
  GPO Box 3111
  BRISBANE QLD 4001

Office of Liquor and Gaming Regulation

What types of fundraising activities are regulated?

The Office of Liquor and Gaming Regulation regulates all gaming activities conducted in Queensland. One form of legislation that it administers is the *Charitable and Non-Profit Gaming Act 1999*. This provides a framework that enables charitable and non-profit associations throughout Queensland to successfully raise funds through charitable gaming activities.

The *Charitable and Non-Profit Gaming Act 1999* has been enacted to ensure the continuing integrity and probity of the charitable and non-profit gaming industry through:

- clear reporting and accounting requirements
- strengthened requirements for the delivery of prizes
- detailed investigation and enforcement provisions
- concise rules of games.

The *Charitable and Non-Profit Gaming Act 1999* regulates the gaming activities currently undertaken by Queensland's charitable and non-profit gaming entities, namely:

- art unions – including raffles, non-profit sweeps and non-profit bingo
- bingo
- calcutta sweeps
- lucky envelopes

- promotional games.

What permits or approvals are required?

All games regulated by the *Charitable and Non-Profit Gaming Act 1999* are divided into the following four categories based on gross proceeds per draw or, in the case of bingo, gross proceeds per bingo session:

Category 1: includes any game where the gross proceeds for each draw, or each bingo session, are $2,000 or less (excluding lucky envelopes).

Category 2: includes any game where the gross proceeds for each draw are greater than $2,000 and no more than $50,000. Exceptions include lucky envelopes which limit the gross proceeds to $5,000 or less, and bingo gross proceeds which are not permitted to exceed $20,000.

Category 3: includes any game that has gross proceeds for each draw of more than $50,000.

Category 4: games, commonly known as trade promotions, are referred to in the *Charitable and Non-Profit Gaming Act 1999* as promotional games.

The *Charitable and Non-Profit Gaming Act 1999* provides for the following licence types:

- a licence to conduct a category 3 game
- a licence to conduct a special category 3 game
- a bingo centre licence
- a lucky envelope printer licence.

Issuing licences to conduct games is based on the estimated gross proceeds for a single draw in a game or session. A licence will allow the licence holder to conduct several games and/or gaming activities in accordance with the legislation and conditions of the licence during the term of the licence.

A special licence may also be issued to a person intending to raise funds through the conduct of a single art union to assist persons who have been affected by disaster or have been otherwise disadvantaged. The licence allows entities not normally empowered by the *Charitable and Non-Profit Gaming Act 1999* to legally conduct a

game to raise funds for such purposes. However, the chief executive must be satisfied of the existence of exceptional circumstances before granting a special licence.

Other issues to consider

- Association
  - An association is a group of at least four persons, whether or not incorporated, which is formed for a worthwhile common purpose.
  - An association that is not an eligible association is restricted to the conduct of category 1 games.
  - Individuals may also conduct category 1 games providing all proceeds are returned as prizes.

- Eligible associations
  - An eligible association is an association formed for charitable, religious, educational, patriotic, sporting and community purposes, parents and citizens associations and political parties.
  - All games conducted as either category 2 or category 3 games (except for category 3 games conducted by a special category 3 licensee) are restricted to eligible associations.
  - Eligible associations that conduct category 3 games must be incorporated.

To contact the Office of Liquor and Gaming Regulation:

- visit business.qld.gov.au/industry/liquor-gaming
- phone **13 QGOV (13 74 68)**
- fax **(07) 3872 0957**
- email liquorandgaminglicensing@justice.qld.gov.au
- mail

  Office of Liquor and Gaming Regulation
  Locked Bag 180
  CITY EAST QLD 4002

South Australia

Fundraising in South Australia is regulated by Consumer and Business Services.

This regulator has provided the information in this section.

Consumer and Business Services

What types of fundraising activities are regulated?

Consumer and Business Services regulate gambling and community fundraising activities in South Australia, with administrative responsibility for the control of:

- charitable collections
- fundraising lotteries.

Charitable collections must comply with provisions in the *Collections for Charitable Purposes Act 1939* (CCP Act) and the *Collections for Charitable Purposes Act 1939 – Code of Practice*.

NFP organisations seeking to raise monies using fundraiser lotteries must comply with the provisions in the *Lottery and Gaming Act 1936* (LG Act) and the Lottery and Gaming Regulations 2008 (LG Regulations).

What permits or approvals are required?

Charitable collections

A person who wants to collect or attempt to collect any money or goods or obtain or attempt to obtain money by the sale of any disc, badge, token, flower, or other device for any charitable purpose as defined, must be the holder of a section 6 licence under the CCP Act.

A collection agent who has entered into a collection contract with a charity as a collector for the charity, and employs another person to collect or attempt to collect any money or goods for a charitable purpose as defined, must be the holder of a section 6A licence under the CCP Act.

A person who wants to conduct entertainment where the proceeds are to be applied to a charitable purpose as defined, must be the holder of a section 7 licence under the CCP Act.

For the purposes of the CCP Act, a 'charitable purpose' means:

- the affording of relief to diseased, disabled, sick, infirm, incurable, poor, destitute, helpless, or unemployed persons, or to the dependants of any such persons
- the relief of distress occasioned by war, whether occasioned in South Australia or elsewhere
- the affording of relief, assistance, or support to persons who are or have been members of the armed forces of Australia or to the dependants of any such persons
- the provision of welfare services for animals.

For the purposes of the CCP Act, a person may apply for a licence to the Liquor and Gambling Commissioner as delegate for the Minister, who may grant or refuse a section 6, section 6A or section 7 licence. Such licences are granted subject to a condition that the licensee must comply with the provisions of a code of practice issued by the minister.

NFP fundraising lotteries

The LG Act and LG Regulations regulate, among other things, the fundraising lotteries of community organisations. The LG Regulations provide a series of restrictions on various classes of lottery, including major and minor lotteries, instant lotteries and 'eyes down bingo'.

These lotteries are conducted by NFP associations and clubs (including charities, social clubs, political parties, registered clubs, sporting clubs and trade unions) having a body of persons that has at least 10 members, a management committee elected by the members and a written constitution.

Major lotteries: A major lottery is a fundraising lottery conducted by an NFP club or association where the total value of all prizes in the lottery exceeds $5,000 and the prizes are distributed by lot or drawing. A major lottery does not include an instant lottery, sweepstakes or calcutta sweepstakes.

Instant lotteries: Instant lotteries are fundraising lotteries conducted by NFP clubs or associations through the sale of approved instant scratch or 'break-open' tickets that is beer or bingo tickets.

Bingo lotteries: Bingo sessions are fundraising lotteries conducted by NFP clubs or associations involving the game of chance commonly known as 'bingo', 'housie', 'housie housie' or 'eyes down bingo'. A bingo

licence is required if the total gross proceeds of a session exceeds $500.

For the purposes of the LG Act and the LG Regulations, the Minister for Gambling may grant or refuse an application for a major lottery, an instant ticket lottery and 'eyes down bingo' lottery.

All lotteries (licensed and exempt) are subject to the lottery rules prescribed in the LG Regulations.

To contact Consumer and Business Services:

- visit cbs.sa.gov.au – the website contains information about all charitable and lottery activities
- phone **13 18 82**
- email
- charitable collections email: charities@agd.sa.gov.au
- fundraising lotteries email: lottery@agd.sa.gov.au
- mail

  Consumer and Business Services
  GPO Box 2169
  ADELAIDE SA 5001

Tasmania

Fundraising in Tasmania is regulated by:

- Liquor and Gaming Branch, representing the Tasmanian Gaming Commission
- Consumer Affairs and Fair Trading.

These regulators have provided the information in this section.

Liquor and Gaming Branch, representing the Tasmanian Gaming Commission

What types of fundraising activities are regulated?

Fundraising in Tasmania can be undertaken by, or on behalf of, NFP or charitable organisations. 'minor gaming' is the term given to authorised games regulated by the Tasmanian Gaming Commission, including

raffles, bingo, calcutta sweepstakes, instant draw bingo, lucky envelopes, dancing dollars and Tassie's best punter. The Commission's website clearly defines the rules and conditions of each of these games.

What permits or approvals are required?

An individual or organisation must complete and submit an application for a minor gaming permit accompanied by an *Individual Activity Notification* (IAN) form in relation to the authorised game nominated to take place. The Commission then approves or rejects the application. An IAN form can also be submitted as a separate form after permit approval by the Commission. A minor gaming permit is valid for either 12 or 24 months and any number of authorised games can be conducted in that time under the permit.

A Foreign Games Permit valid for up to five years is also available for mainland organisations wanting to sell raffle/lottery tickets from premises in Tasmania such as shopping centres. At present, mainland organisations can telemarket and direct mail raffle/lottery tickets into Tasmania without a minor gaming permit. However, the organisation must have a permit in its respective state or territory, and tickets sold are not for on-selling.

Other issues to consider

In all cases, whether or not a minor gaming permit is required, all fundraising activities must be held in accordance with the applicable rules and conditions and with the provisions set out in the *Gaming Control Act 1993*.

The Commission may declare a game to be an exempt game not requiring a minor gaming permit. Examples of this would be raffles where the total value of the prizes is less than $5,000 and tipping competitions where the total contributions do not exceed $10,000 and the total sum contributed is distributed as prizes.

The Commission determines which games are to be authorised under the *Gaming Control Act 1993*. To seek approval for a new game, an application must be submitted to the Tasmanian Gaming Commission. Application forms are available on the Commission's website.

A permit is not required to conduct a trade promotion in Tasmania. In certain circumstances schemes to distribute prizes for the promotion of business are excluded from the definition of a lottery in the *Gaming*

Control Act 1993 and are therefore lawful in Tasmania without a permit. More information about trade promotions is available on the Commission's website.

To contact the Liquor and Gaming Branch, representing the Tasmanian Gaming Commission:

- visit treasury.tas.gov.au
- phone **(03) 6166 4040**
- fax **(03) 6234 1728**
- email gaming@treasury.tas.gov.au
- mail

  Liquor and Gaming Branch
  GPO Box 1374
  HOBART TAS 7001

Consumer Affairs and Fair Trading

What types of fundraising activities are regulated?

Consumer Affairs and Fair Trading administers the *Collections for Charities Act 2001*.

This legislation applies to any person, incorporated body, individual, unincorporated body, religious organisation or any other organisation which solicits donations for a charitable purpose. Donations include money, goods or services donated or bequeathed.

Soliciting for donations means any request for donation however communicated, and includes solicitation by telephone, email, door-to-door, and standing with a donations tin in public. It also includes the giving of pins, badges and stickers if in response to a donation rather than an actual sale of the item.

The Act does not apply to:

- the sale of goods or services such as chocolate fundraisers
- a request for renewal of membership of an organisation
- an appeal by an organisation to its membership such as that by a cricket club or hobby group

- an appeal within premises that are used by a club or religious organisation such as a collection plate
- an appeal to a Commonwealth, state or local authority
- raffle tickets.

What permits or approvals are required?

Organisations based outside of Tasmania must not solicit for public donations unless they have obtained approval from the Commissioner of Corporate Affairs. It is an offence to collect without the proper approval, so if you have any doubt, obtain the *Charitable Collectors Handbook* by phoning Consumer Affairs and Fair Trading or visiting the website.

Other issues to consider

- Children and young collectors
  - Children under the age of 12 years may solicit for donations, only if they are under the immediate control of an adult person.
  - Persons aged between 12 and 15 years may solicit for donations, only if they are under the supervision of an adult.
  - Persons 16 years of age or over may solicit for donations without supervision.

- Soliciting by telephone
  - If a person solicits for a charitable purpose by telephone, the caller must identify certain details about the organisation they represent.
  - Fundraisers who telephone residential numbers seeking donations may only do so between 9.00am and 8.00pm on any day.

- Going door-to-door and soliciting in a public place – certain requirements apply when undertaking doorknocks, or soliciting for donations in a public place. The requirements include
  - wearing an identity card
  - providing information about the organisation to donors

  - restricted hours for doorknocks.

- Soliciting through writing, electronic media or advertising
  - Organisations often make written requests for donations.
  - These may be addressed to the recipient or be in the form of a general request or public advertisement.
  - Any written request, however communicated, must include specific information about the organisation and the purpose of the donation.

- Collections on public streets
  - In addition to the requirements of the *Collections for Charities Act*, you must seek permission from Tasmania Police and the local council or local authority if you wish to collect for donations on a public street.
  - This type of collecting is regulated to avoid overlap between fundraising days and areas, one year in advance.
  - Applications for allocation of a fundraising day may be made at any time but are usually made in October or November.
  - For more information, phone Tasmania Police Traffic Liaison Services on **(03) 6230 2111**.

To contact Consumer Affairs and Fair Trading:

- visit consumeraffairs.tas.gov.au/topics/clubs-fundraising/charities
- phone **1300 654 499**
- fax **(03) 6233 4882**
- email consumer.affairs@justice.tas.gov.au
- mail

  Consumer Affairs and Fair Trading
  GPO Box 1244
  HOBART TAS 7001

Victoria

Fundraising in Victoria is regulated by:

- Department of Justice & Regulation (Consumer Affairs Victoria)
- Victorian Commission for Gambling and Liquor Regulation.

These regulators have provided the information in this section.

Consumer Affairs Victoria, Department of Justice & Regulation

What types of fundraising activities are regulated?

Fundraising appeals are regulated by the *Fundraising Act (Vic) 1998* (Fundraising Act). The Fundraising Act is administered by Consumer Affairs Victoria.

A fundraising appeal occurs if a person solicits or receives money or a benefit on the basis of a representation that the soliciting or receiving is not solely for the profit or commercial benefit of the person, cause or thing on whose behalf the appeal is being conducted.

Fundraising appeals include:

- doorknock appeals
- telemarketing
- traffic intersection/highway collections (authorisation is also required from the Victorian Police for these types of appeal)
- donations to clothing bins
- the sale of goods at opportunity shops
- appeals run by commercial fundraisers
- public appeals to support a club, association or an environmental or community cause
- public appeals to support a cause or person or group of persons
- the sale of goods where portions of the sale price are donated to an NFP organisation or cause.

The Fundraising Act does not apply to soliciting or receiving money or benefits with respect to the following, which are exempt from the definition of a fundraising appeal:

- gaming activities which are regulated under the *Gambling Regulation Act (Vic) 2003* (the regulation which applies to these activities is described below)
- a patriotic fund
- membership of an organisation
- from a member, or a person who is in the process of becoming a member, of the fundraising organisation, or a relative or personal acquaintance of either of these
- bequests
- a benevolent or philanthropic purpose connected directly with a person or the immediate family of a person who shares a common employer or principal place of business with the fundraiser
- from a government body or a corporation, partnership or trust that is permitted to donate money or benefits by its corporate documents.

What permits or approvals are required?

If you are conducting a fundraising appeal, the Fundraising Act requires that:

- you comply with certain rules when you administer and conduct the fundraising appeal (for example, wearing identification badges when collecting from the public and keeping accurate financial records)
- you register with Consumer Affairs Victoria.

The following organisations are, however, exempt from the requirement to register:

- state schools, council schools or registered schools, and some kindergartens
- universities, TAFE colleges or other tertiary educational institutions
- hospitals or other registered health agencies funded by the Victorian Government
- religious bodies with the authority to marry people
- registered political parties, registered trade unions and registered workplace relations or industrial relations organisations

- NFP organisations that receive less than $10,000 gross in a financial year from fundraising, and use only unpaid volunteers
- licensed children's services that receive funding for a pre-school program from the Services Australia
- the Anti Cancer Council.

Some of these organisations are also exempt from the record-keeping requirements.

The minister administering the Fundraising Act may also, by order, exempt additional people or organisations, or classes of people or organisations, from the requirements to register.

To contact Consumer Affairs Victoria:

- visit consumer.vic.gov.au
- phone **1300 558 181**
- fax **(03) 9627 6007**
- email consumer@justice.vic.gov.au
- mail

  Consumer Affairs Victoria
  GPO Box 123
  MELBOURNE VIC 3001

Victorian Commission for Gambling and Liquor Regulation

What types of fundraising activities are regulated?

Gaming activities for the benefit of community or charitable organisations are regulated by the *Gambling Regulation Act 2003* (Gaming Act). The Gaming Act is administered by the Victorian Commission for Gambling and Liquor Regulation.

The Gaming Act declares all lotteries/gaming to be illegal unless authorised by the Gaming Act. Only organisations that are declared by the Victorian Commission for Gambling and Liquor Regulation to be genuine community or charitable organisations can conduct activities such as raffles, bingo, fundraising events or selling lucky envelopes.

The Commission can declare an organisation to be a community or charitable organisation if it is satisfied that the organisation is conducted in good faith for any of the following:

- a philanthropic or benevolent purpose, including the promotion of art, culture, science, religion, education or charity, and including the benefiting of a fund certified to be a patriotic fund under section 24 of the *Patriotic Funds Act 1958* or the fund or part of the fund of the Australian Red Cross Society
- a sporting or recreational purpose, including the benefiting of any sporting or recreational club or association
- a political party registered under the *Electoral Act 2002*, the *Commonwealth Electoral Act 1918* of the Commonwealth or a law of another state or territory of the Commonwealth corresponding to these Acts.

What permits or approvals are required?

Declaration allows the organisation to conduct raffles where the total retail value of prizes does not exceed $5,000 or apply for permits to undertake raffles where the retail value of prizes exceeds $5,000. Permits can also be obtained to sell lucky envelopes or run a fundraising function where games that would otherwise be unlawful (that is, casino games) may be played.

All gaming activity conducted by community or charitable organisations must be conducted in accordance with the Gaming Act and its associated regulations.

Other issues to consider

Other legislation may apply to fundraising activities in addition to legislation which is specifically aimed at fundraising activities. For example, if planning to sell or service liquor at a fundraising event, you will need to ensure that you have the appropriate liquor licence.

To contact the Victorian Commission for Gambling and Liquor Regulation:

- visit vcglr.vic.gov.au
- phone **1300 182 457**
- fax **(03) 9098 5036**
- email contact@vcglr.vic.gov.au

- mail

Victorian Commission for Gambling and Liquor Regulation
PO Box 1988
MELBOURNE VIC 3001

Western Australia

Fundraising in Western Australia is regulated by:

- Department of Commerce (Consumer Protection Division)
- Gaming and Wagering Commission of WA.

These regulators have provided the information in this section.

Department of Commerce, Charitable Collections Section

What types of fundraising activities are regulated?

The Department of Commerce regulates:

- collections of money or goods from the public in Western Australia deemed to be for a charitable purpose
- street collections in the Perth metropolitan area regardless of the purpose.

In Western Australia, raffles are not regulated by the Department of Commerce, but by the Department of Racing, Gaming and Liquor.

What permits or approvals are required?

To collect money or goods for a charitable purpose, a licence is required under the *Charitable Collections Act 1946*. The application for a licence is considered by the Charitable Collections Advisory Committee, who make recommendations to the Minister for Commerce. This process can take two to three months if all documents are in order, but longer if there is a requirement to go back to the organisation for more information.

Any organisation wanting to conduct a street collection in Perth, whether licensed under the Charitable Collections Act or not, must have a separate street collection permit. This permit is also granted by

the Minister for Commerce and requires approximately three weeks' notice to be granted. Street collections are generally held on Fridays.

Other issues to consider

Organisations that collect and receive money from the public for non-charitable purposes **do not** need to be licensed.

Some examples are:

- sporting clubs or social groups
- schools or kindergartens that operate their own fundraising events.

To contact the Department of Commerce, Charitable Collections Section:

- visit commerce.wa.gov.au/charities – for details of licensing requirements, forms, a list of licensed charities in Western Australia, and a calendar of street collections for the year
- phone **(08) 6251 1407**
- email charities@commerce.wa.gov.au
- mail

  Charitable Collections Section
  Department of Commerce
  Locked Bag 14
  CLOISTERS SQUARE WA 6850

Gaming and Wagering Commission of Western Australia

What types of fundraising activities are regulated?

The Gaming and Wagering Commission of Western Australia regulates a number of community gaming activities under the *Gaming and Wagering Commission Act 1987*. These activities include standard lotteries (raffles), bingo, two-up, gaming functions and continuing lotteries (break-open tickets).

What permits or approvals are required?

Permits and approvals are required for all the above activities where gaming, as defined by the Act, takes place, except for social gaming and minor raffles where one of the following occurs:

- Sale of Tickets and declaration of prizes takes place within 8 days.
  - The maximum value of any prize is $1,000.
  - Tickets are sold to members, guests or people who work or reside on the premises of a bona fide organisation.

- Tickets are sold to members, guests or people who work or reside on the premises of a bona fide organisation.
  - The aggregated retail value of the prizes does not exceed $2,000.
  - The lottery is conducted on the same day and on the same premises.

- The aggregated value of prizes does not exceed $200.
  - Tickets can be sold to members of the public.

Other issues to consider

The Act prohibits the conduct of (community) gaming for private gain or any commercial undertaking.

To contact the Department of Racing, Gaming and Liquor:

- visit rgl.wa.gov.au
- phone **1800 634 541**
- fax **(08) 9325 1041**
- email rgl@rgl.wa.gov.au
- mail

  Department of Racing, Gaming and Liquor
  PO Box 6119
  EAST PERTH WA 6892

Local government requirements

Local government authorities manage and regulate the use of public places. Public places are lands not under private ownership or lands

that are vested in the Crown (Australian Federal state or territory governments). They may include parks, playgrounds, coastal foreshores, sporting grounds, swimming pools, streets, footpaths, cycle ways, town centres, libraries, or community centres.

If an NFP organisation wants to conduct fundraising activities in a public place, it should first find out the requirements of the relevant local council. In some instances, it may also need to consult other government departments, such as state or territory road and transport authorities.

Requirements vary from council to council, but generally can include:

- ensuring that the proposed activity is permissible under the relevant local law, planning policy, scheme or local environment plan
- providing evidence of public liability insurance cover for the event, sufficient security and adequate toilet facilities
- obtaining permits for preparing and selling food on site, operating electrical equipment, closing streets and selling alcohol, and
- providing evidence that any rides (for example, jumping castles or merry-go-rounds) comply with relevant Australian standards, especially occupational health and safety laws.

QC 16981

Managing your NFP obligations

Check how well your not-for-profit (NFP) organisation manages its tax and super obligations.

Last updated 30 June 2025

Self-review your NFP

It's important that your not-for-profit (NFP) organisation has good governance and you are meeting your tax and super obligations. You need to check that you continue to be entitled to:

- deductible gift recipient (DGR) endorsement

- income tax exemption
- other tax concessions.

To do this, you should complete a self-review of your NFP every 12 months and when your organisation makes changes to its governing rules or structure and activities.

The following checklist and worksheets will help you complete your self-review. You may need to complete more than one worksheet depending on the entitlements you are claiming.

You must also:

- write to us if your organisation is no longer eligible for DGR endorsement or income tax exemption
- notify us if there are changes to your organisation – including name, key personnel or Australian business number (ABN) registration details.

If you don't notify us of changes to your eligibility or registration details, penalties or a referral to prosecution may apply.

NFP good governance checklist

All NFPs should complete the self-governance checklist.

This will help you:

- understand the eligible types of income tax exempt organisations
- review your status as an NFP
- manage your tax and super compliance risks.

Eligibility to income tax exemption

From 1 July 2023, non-charitable NFPs with an active ABN need to lodge an annual NFP self-review return to confirm their eligibility to self-assess as income tax exempt.

NFPs that self-assess as income tax exempt can use the questions in our NFP self-review return question guide to conduct an early review. This can be done before the NFP self-review return is available on 1 July.

Charitable NFPs endorsed as a tax concession charity (TCC), must review your TCC endorsement annually, and whenever there is a change in the charity's structure, purposes or operations.

Charities are not required to lodge the NFP self-review return with the us.

The following worksheet will help charities review their TCC endorsement:

- Endorsement review worksheet for income tax exempt charities (NAT 74110) – for a charity registered with the Australian Charities and Not-for-profits Commission (ACNC).

Deductible gift recipient (DGR) endorsement worksheets

The following worksheets will help you work out whether your NFP organisation is still entitled to endorsement as a DGR.

Select the worksheet that applies to your organisation:

- Worksheet 1: review of a DGR endorsed as a whole (NAT 11685)
- Worksheet 2: review of a DGR endorsed for the operation of a fund, authority or institution it owns or includes (NAT 11686).

QC 65220

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.

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