



ORIC INFORMATION SHEET

Supporting the rule book

Deductible gift recipient fund

Do you want your corporation to be endorsed as a deductible gift recipient? This means gifts of money or property to the corporation are deductible for the donors. If so, you will need to include the following rules in your rule book.

Objectives rules

Include this rule in your objectives:

To operate and maintain a gift fund to be known as 'The [*insert name of gift fund*] Gift Fund' in accordance with the requirements of the *Income Tax Assessment Act 1997*.

Gift fund rules

Include these rules in your rule book:

Gift fund rules

- (1) The corporation shall maintain for the main purpose of the corporation a gift fund:
 - (a) to be named 'The [*insert name of gift fund*] Gift Fund'
 - (b) which must receive gifts of money or property for the purposes of the objectives of the corporation
 - (c) which must have credited to it any money received by the corporation because of those gifts.
- (2) The gift fund cannot receive any money or property other than that stated at (b).

- (3) The corporation shall use gifts made to the gift fund and any money received because of them **only** for the principal purpose of the corporation.
- (4) Receipts issued for gifts to the gift fund must state:
 - (a) the full name of the corporation
 - (b) the Australian Business Number (if applicable) and the Indigenous Corporation Number (ICN) of the corporation
 - (c) the fact that the receipt is for a gift.
- (5) As soon as:
 - (a) the gift fund is wound up, or
 - (b) the corporation's endorsement as a deductible gift recipient is revoked under section 426-55 of the *Taxation Administration Act 1953*

any surplus assets of the gift fund must be transferred to another fund, authority or institution, which has similar objectives to the corporation. This body must also be able to receive tax deductible gifts under division 30 of the *Income Tax Assessment Act 1997*.

More information

If you want any further information or help, please call ORIC on 1800 622 431 (not free from mobiles) or the Australian Tax Office on 1300 130 248 or visit ato.gov.au/nonprofit.