

WORKSHEET 2: REVIEW OF A DGR ENDORSED FOR THE OPERATION OF A FUND, AUTHORITY OR INSTITUTION IT OWNS OR INCLUDES

This worksheet will help you work out whether your organisation is still entitled to endorsement as a DGR.

Endorsed DGRs must tell the Tax Office if they stop being entitled to endorsement. Things that can affect your organisation's entitlement are: changes to purpose and operations, the gift fund, the 'in Australia' requirement, and the gift or deductible contribution receipts your organisation issues. You should self-review each year and whenever there is a major change in structure or operations.

'Organisation' is the corporation, trust, unincorporated association, or government entity that has been endorsed.

'Fund, authority or institution' is the part of the organisation that can receive tax deductible gifts.

If an organisation has been endorsed separately for two or more funds, authorities or institutions, it should carry out a separate review for each of them. For example, if a school is endorsed for a school building fund and a public library that is part of the school, there should be a separate review for each.

WHO SHOULD USE THIS WORKSHEET?

- Use this worksheet if your organisation's DGR endorsement applies only to a fund, authority or institution your organisation operates. For example, a school that has been endorsed for a school building fund it operates will use this worksheet.
- Do not use this worksheet if your organisation has been endorsed in its own right: that is, if the whole of the organisation falls within a DGR category, use worksheet 1 on page 64.

What you will need

- A copy of *GiftPack* (NAT 3132).
- The Tax Office notice that states your organisation is endorsed as a DGR.
- Your organisation's governing or constituent documents and information about its activities and finances.
- Your records kept as per the record keeping requirements.

Do not write on the original worksheet – keep it as a template so you can make copies whenever you carry out a self-review.

WORKSHEET 2

1 Full name of your organisation

2 Australian business number (ABN)

3 Name of the fund, authority or institution for which your organisation is endorsed

4 Period of review

 to

5 Reason for review

- Annual review
 Change in circumstances
 Other (please specify) _____

6 Tax Office notice of endorsement

Endorsement date

DGR category

AUSTRALIAN BUSINESS NUMBER (ABN)

7 Is your organisation’s ABN still current?

- Yes Go to question 8.
- No Your organisation is no longer entitled to be endorsed as a DGR. The Tax Office will notify you that endorsement has been revoked.

The organisation must have a current ABN to be entitled to endorsement as a DGR.

You can check your organisation’s ABN by searching the Australian Business Register (ABR) internet site at **www.abr.business.gov.au** or by phoning the Tax Office on **1300 130 248**. If your organisation’s ABN has been cancelled, it will have received written notification.

Notes:

DGR CATEGORY

8 Does your organisation’s fund, authority or institution still fall within the DGR category for which it is endorsed?

- Yes Go to question 9.
- No Your organisation is no longer entitled to DGR endorsement for this fund, authority or institution. You must tell the Tax Office in writing that it has ceased to be entitled and give the date that the fund, authority or institution ceased to fall within a DGR category.

The general DGR category under which your organisation’s fund, authority or institution falls is shown on its notice of DGR endorsement.

Check that your organisation’s fund, authority or institution still falls within the description of the DGR category given in the DGR table on pages 12–21 of *GiftPack*. If the DGR table sends you to an explanation of terms, check that it still satisfies the description in the explanation.

If it no longer falls within the DGR category shown on the endorsement notice, it might still fall within another category. Check the other DGR categories in the DGR table. If it does satisfy the description in another DGR category, write to the Tax Office.

Notes:

GIFT FUND

9 Is your organisation maintaining a gift fund for the fund, authority or institution?

- Yes Go to question 10.
- No There is no entitlement to DGR endorsement for the period a gift fund was not maintained. You must tell the Tax Office in writing so the endorsement can be revoked for that period.

A gift fund must be maintained to receive gifts or deductible contributions made to the fund, authority or institution for its principal purpose.

For any period that a gift fund is not maintained, there is no entitlement to DGR endorsement.

The gift fund requirement is explained on page 57 of *GiftPack*. Check that your organisation continues to meet this requirement.

Briefly, a gift fund is a fund with these features:

- it is a fund
- it is maintained for the principal purpose of the fund, authority or institution
- all gifts or deductible contributions, of money or property for that purpose are made to it
- any money received because of such gifts or deductible contributions is credited to it
- it does not receive any other money or property
- it is used only for the principal purpose, and
- your organisation is required – by a law, its constituent documents or governing rules – to transfer any surplus assets of the fund to another gift deductible fund, authority or institution when the fund is wound up or the DGR endorsement is revoked, whichever occurs first.

Notes:

IN AUSTRALIA

10 Is your fund, authority or institution in Australia?

- Yes Go to question 11.
- No There is no entitlement to be endorsed for the period the fund, authority or institution was not in Australia. You must tell the Tax Office in writing so that endorsement can be revoked.

All funds, authorities or institutions (except ancillary funds) must be in Australia.

The 'in Australia' requirement is explained on page 54 of *GiftPack*.

Briefly, your fund, authority or institution will be in Australia if:

- it is established and operated in Australia, and
- its purposes and beneficiaries are in Australia.

For exceptions to these conditions, see page 54 of *GiftPack*.

Notes:

RECEIPTS

11 Has your organisation correctly issued receipts for gifts and contributions it has received?

- Yes All requirements to continue endorsement have been met. You do not need to contact the Tax Office. Continue to carry out periodic self-reviews.
- No You must ensure that gift and deductible contribution receipts contain the required information. Take immediate steps so this problem does not arise again. If you do not, the endorsement may be revoked.

If an endorsed DGR issues receipts for tax deductible gifts or contributions, particular information must be provided on them.

The receipts must specify:

- the name of the fund, authority or institution and the ABN of the DGR, and
- if the receipt is for a gift – the fact it is a receipt for a gift, or
- if the receipt is for a deductible contribution –
 - the fact that it is a receipt for a deductible contribution
 - the fundraising event and that the contribution was made for a right to attend it, or for the purchase of goods and services as a successful bidder at a fundraising auction
 - the amount of the contribution (if money), and
 - the GST inclusive value of the right or of the goods and services.

For more information on receipts, see page 62 of *GiftPack*.

Notes:

Once you have completed this worksheet you should:

- sign it off and keep it with your organisation’s other records, and
- make an entry in the ‘Log of status reviews’ on page 102 of *GiftPack*.

Name of person carrying out review

Position held

Signature

Date

Approval by Board/Committee/Trustee

Do not send this worksheet to the Tax Office – keep it with your records.