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**From:** s22  
**Sent:** Friday, 3 October 2014 6:56 PM  
**To:** s22  
**Cc:** O'Toole, James  
**Subject:** DGR general categories [SEC=UNCLASSIFIED]  
**Attachments:** 141003 Note on endorsement of DGRs final.docx; 141003 Attachment A to DGR note - DGR table.docx

UNCLASSIFIED

Hi s22

You asked for a note on the guidelines used to grant deductible gift recipient status.

Please find attached a brief (1 ½ page note) on this. We've also attached a longer attachment providing more detail on the types of organisations within the various DGR categories for your information.

Please let me know if you need anything further.

Kind regards,

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s22 | A/g Senior Adviser  
Taxation and Financial Sector Policy | Taxation, Financial Sector and Employment Branch  
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w. [www.dpmc.gov.au](http://www.dpmc.gov.au)  
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## DEDUCTIBLE GIFT RECIPIENTS (DGRs)

### What are DGRs?

- Deductible gift recipients (DGRs) are organisations entitled to receive income tax-deductible gifts and tax-deductible contributions. Unless an organisation is a DGR, donors cannot claim income tax deductions for their gifts.
- To qualify as a DGR, an organisation must be either endorsed by the Australian Taxation Office (ATO) or specifically listed by name in the income tax law.

### Endorsement of DGRs by the ATO

- Most DGRs are endorsed by the ATO. To be entitled to DGR endorsement an organisation must meet all of the following requirements:
  - fall within a general DGR category as set out in the income tax law;
  - have an Australian Business Number (ABN);
  - have an appropriate dissolution/revocation of endorsement clause or clauses;
  - maintain a gift fund – if seeking endorsement for the operation of a fund, authority or institution; and
  - be in Australia (with some exceptions).
- An organisation may wholly fall within one of the general categories. Alternatively part of an organisation — such as a fund, authority or institution within the organisation — which falls within a general category can seek endorsement.
- If organisations (or parts of organisations) meet the requirements under the general categories, they will be endorsed by the ATO.

### General categories

- The tax law sets out general categories of DGRs under the following headings:

• Health	• The family
• Education	• International affairs
• Research	• Sports and recreation
• Welfare and rights	• Cultural organisations
• Defence	• Fire and emergency services
• Environment	• Ancillary funds

- The specific types of organisations that fall within each of the general DGR categories are outlined in Attachment A (source: [www.ato.gov.au](http://www.ato.gov.au)).

## Registers

- Within the general categories there are separate registers through which organisations may seek endorsement as a DGR. These are:

- Register of Environmental Organisations (maintained by the Department of the Environment);

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- Organisations seeking endorsement via the registers will generally write to the relevant Minister for endorsement under the register. Ministers would then write to the Treasurer for approval to endorse them under the relevant register.

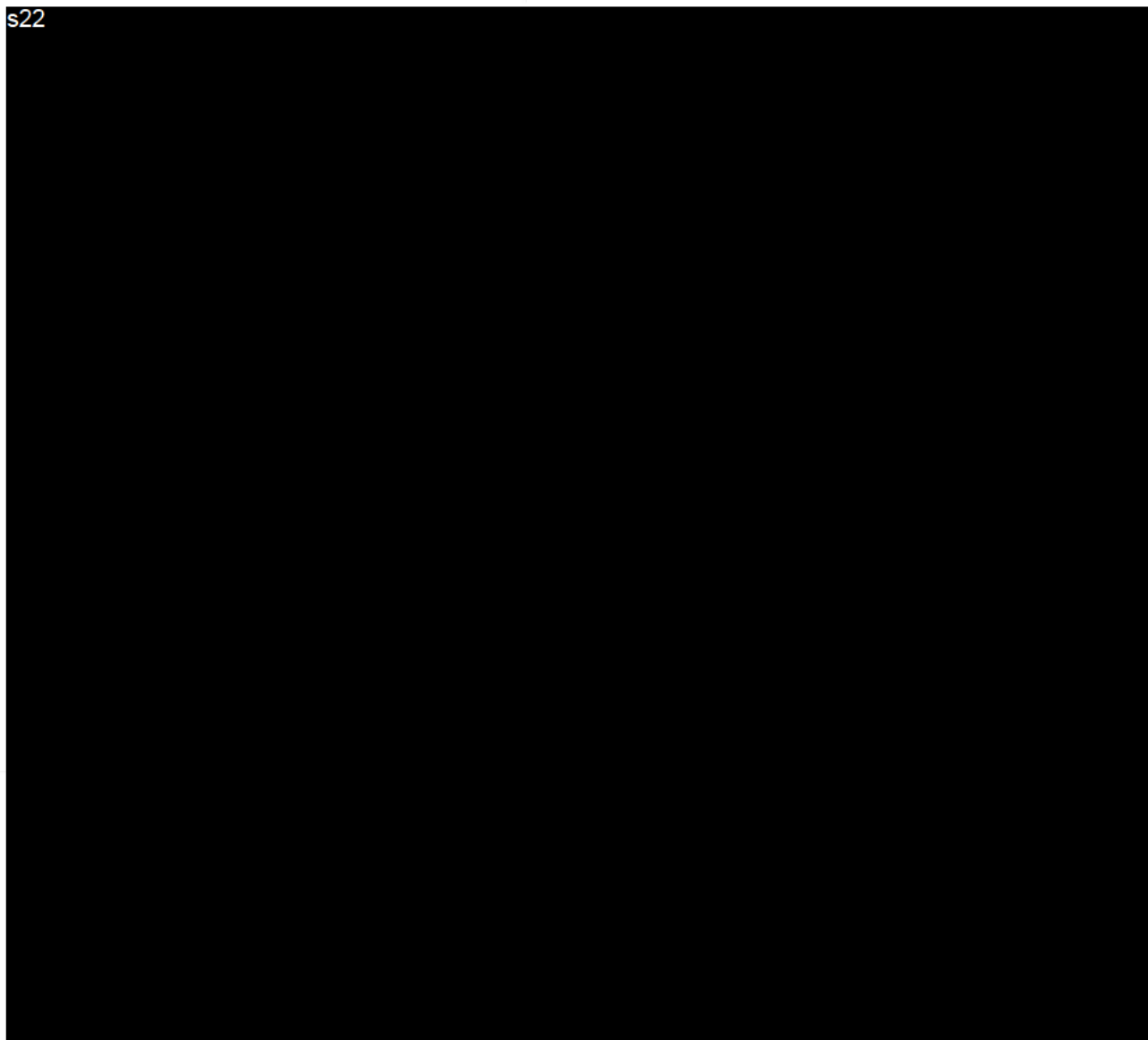
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DGR TABLE

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## Environment

Item number	DGR table – general categories
6.1.1	<p data-bbox="352 1653 1062 1686">Public fund on the Register of Environmental Organisations</p> <p data-bbox="352 1720 1082 1753">The <b>Department of the Environment</b> maintains the Register.</p> <p data-bbox="352 1787 962 1821">The principal purpose of the organisation must be:</p> <ul data-bbox="403 1854 1390 1977" style="list-style-type: none"><li data-bbox="403 1854 1390 1888">• protecting and enhancing the natural environment or a significant aspect of it</li><li data-bbox="403 1899 1390 1977">• providing information or education, or carrying out research about the natural environment or a significant aspect of it.</li></ul>

	Gift condition – the public fund must be listed on the Register of Environmental Organisations when the gift is made.
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