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# Organisations with DGR endorsement

This applies to environmental organisations, harm prevention charities and cultural organisations.

**Last updated** 12 December 2023

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Refer to the list on changes that may impact your organisation:

# Transitional provisions in place from 1 January 2024

Your DGR endorsement will change from endorsement for the operation of a public fund to endorsement of your whole organisation.

The new law requires you to maintain a [gift fund \(/businesses-and-organisations/not-for-profit-organisations/getting-started/getting-endorsed-for-tax-concessions-or-as-a-dgr/is-my-organisation-eligible-for-dgr-endorsement/rules-and-tests-for-dgr-endorsement/endorsement-for-the-operation-of-a-fund-authority-or-institution#ato-Giftfund\)](#), which must only be used for the principal purpose of your organisation. Your public fund will be treated as your gift fund – unless or until you establish a replacement gift fund.

For public funds on the Register of Harm Prevention Charities or the Register of Environmental Organisations, the transitional provisions provide that if your public fund is wound up:

- any surplus assets of the public fund are to be transferred to another gift deductible fund, authority or institution
- unless or until you amend the winding up provisions.

Your existing winding up provisions (which require any surplus assets of your public fund to be transferred to another fund on the register) will be treated as your winding up provisions under the new law, as the Registers will no longer exist.

For registered charities, any transfer must be to another DGR with similar objects, which is charitable at law.

## Your governing document

Changes to your governing document are **not** required to remain eligible for DGR endorsement under the new law.

However, you may amend your governing document to align it to the new law in due course. For example, by updating your winding up provisions or removing any references to one of the registers.

If you do make changes, you must comply with the terms of your governing document which specify how changes or amendments to your governing document are made.

If you are a registered charity, you continue to have additional obligations to the Australian Charities and Not-for-profits Commission (ACNC). You must notify the ACNC about changes to your governing document. Refer to [ongoing obligations to the ACNC \(https://www.acnc.gov.au/for-charities/manage-your-charity/obligations-acnc\)](https://www.acnc.gov.au/for-charities/manage-your-charity/obligations-acnc).

## Public fund obligations

The transitional provisions allow you to treat your public fund as your gift fund under the new law.

This means that from 1 January 2024, you can continue to use your public fund as your gift fund unless or until you establish a replacement gift fund.

Unless you make changes, you still need to follow your public fund rules where they are compatible with the new law. For example, requirements in your public fund rules for a majority of responsible persons (to be on the management committee of the fund) is compatible with the new law, so unless or until you make changes to your public fund rules (or replace them with a new gift fund) you would need to continue with this requirement.

If the new law requires you to do something that is not compatible with your public fund rules the new law applies. For example, the requirement in the new law to issue [receipts \(#Receipts\)](#) in the name of your organisation is not compatible with requirements in your public fund rules to issue receipts in the name of the fund, so you would issue receipts in the name of your organisation.

## ABN Look-up

From 1 January 2024 we will gradually update our systems to reflect that your DGR endorsement for:

- the operation of a public fund ended on 31 December 2023 – this will be visible in your *Historical details* on [ABN Look up \(https://abr.business.gov.au/\)](https://abr.business.gov.au/)
- your whole organisation is effective from 1 January 2024 – this will be visible in your *Current details* on [ABN Look up \(https://abr.business.gov.au/\)](https://abr.business.gov.au/).

# DGR endorsement notice

You will receive an updated DGR endorsement notice in early 2024.

It will show that you are endorsed under the new category name, either:

- cultural organisation
- environmental organisation
- harm prevention charity.

## Receipts

From 1 January 2024, receipts for gifts and deductible contributions to your organisation are to be issued in the name of your organisation and no longer in the public fund name.

## Statistical information

From 1 January 2024, you are no longer required to lodge statistical information with the relevant Department.

If you are a registered charity, you are required to lodge your [Annual Information Statement \(https://www.acnc.gov.au/for-charities/annual-information-statement\)](https://www.acnc.gov.au/for-charities/annual-information-statement) with the ACNC.

## Gift fund

If you establish a gift fund, it may either:

- be part of the governing document of your organisation
- have its own rules or constitution.

A separate ABN is not needed for the gift fund.

For more information about gift funds, refer to [gift fund \(/businesses-and-organisations/not-for-profit-organisations/getting-started/getting-endorsed-for-tax-concessions-or-as-a-dgr/is-my-organisation-eligible-for-dgr-endorsement/rules-and-tests-for-dgr-endorsement/endorsement-for-the-operation-of-a-fund-authority-or-institution#ato-Giftfund\)](#) requirements.

# Policy to not act as a mere conduit

If you are a harm prevention charity or environmental organisation, you must continue to have a policy of not acting as a mere conduit for the donation of money or property to other organisations, bodies or persons.

Evidence of this policy may be in your organisation's:

- governing document
- in a separate policy document
- stated on your website
- stated on receipts issued to donors.

# Environmental organisation entity type

From 1 January 2024, the requirement that applied to a body corporate or a co-operative society (to principally have members that were bodies corporate or have at least 50 individuals who were financial members who could vote at a general meeting) has been removed.

Under the new law, an environmental organisation must be an institution that is registered as a charity with the ACNC or an [Australian government agency \(/businesses-and-organisations/not-for-profit-organisations/getting-started/in-detail/types-of-dgrs/dgr-table-deductible-gift-recipient-categories/explanation-of-terms\)](#).

# Notification of changes

From 1 January 2024, you are no longer required to notify the former relevant Department of changes to your organisation.

You must continue to notify the ATO about some changes. Refer to [changes to your organisation \(/businesses-and-organisations/not-for-profit-organisations/your-organisation/changes-to-your-organisation\)](#).

If you are a registered charity, you continue to have additional obligations to the ACNC. You must notify them about some changes. Refer to [ongoing obligations to the ACNC \(https://www.acnc.gov.au/for-charities/manage-your-charity/obligations-acnc\)](https://www.acnc.gov.au/for-charities/manage-your-charity/obligations-acnc).

# Other changes to consider

Consider removing any references to being 'listed on the relevant register'. This may include:

- website content
- other promotional or public facing material.

## Review of eligibility

Check your organisation's continued eligibility to be endorsed as a DGR by completing a [review of your DGR endorsement \(/businesses-and-organisations/not-for-profit-organisations/your-organisation/in-detail/review-your-dgr-endorsement\)](/businesses-and-organisations/not-for-profit-organisations/your-organisation/in-detail/review-your-dgr-endorsement).

If your organisation is no longer entitled to DGR endorsement, you must tell us in writing. Refer to [notifying us of changes \(/businesses-and-organisations/not-for-profit-organisations/your-organisation/changes-to-your-organisation/notifying-us-of-changes\)](/businesses-and-organisations/not-for-profit-organisations/your-organisation/changes-to-your-organisation/notifying-us-of-changes).

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## 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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