

ANHCA Public Fund for DGR

FAQs donors - individuals and businesses



1. Is it possible to make a tax deductible donation to a Neighbourhood House and Centre?

Yes. Neighbourhood Houses and Centres that have signed up to the ANHCA Public Fund for DGR are able to accept tax deductible donations.

2. What is the ANHCA Public Fund for DGR?

The ANHCA Public Fund for DGR can assist community organisations which are part of its national network of Neighbourhood Houses and Centres to raise funds through public and corporate donations. The listing of the Australian Neighbourhood Houses and Centres Association (ANHCA) Inc. in Division 30, section 30-45 of the Income Tax Assessment Act 1997 ensures donations of \$2 or more to the ANHCA Public Fund are tax deductible.

It is managed by ANHCA, the national peak body for Neighbourhood Houses and Centres across Australia.

3. How can I donate to a Neighbourhood House or Centre?

To make a donation to a Neighbourhood House and Centre you can:

- Speak to your local Neighbourhood House directly or
- Contact the ANHCA Public Fund for DGR directly.

Donations can be accepted by direct deposit and cheque. Receipts will be issued by ANHCA to the donor.

4. Can all Neighbourhood Houses and Centres access the ANHCA Public Fund for DGR?

The ANHCA Public Fund for DGR can legally only direct funds to other entities in furtherance of the purposes in ANHCA's constitution. These are to:

- Contribute to national policy and issues of common interest to the Neighbourhood House and Centre Sector in Australia
- Promote and strengthen the national identity of the Neighbourhood House and Centre Sector in Australia
- Enhance the quality, skills and knowledge of the Neighbourhood House and Centre Sector in Australia
- Support the activity and work of the Neighbourhood House and Centre Sector in Australia.

This means that ANHCA can accept funds and direct them for the work carried out by Neighbourhood Houses and Centres, including project-based support and general support.

To be eligible, a Neighbourhood House and Centre must:

- Be an organisation (as opposed to an individual)
- Be a financial member of the relevant State Peak Body
- Be a legal entity (ie an incorporated body)
- If the organisation is a network or peak body rather than a Neighbourhood House or Centre in its own right, it must apply funds to furthering or supporting the work of Neighbourhood Houses and Centres.
- Not have DGR status.

5. Do Neighbourhood Houses and Centres have their own DGR status?

Some Neighbourhood Houses and Centres have DGR status in their own right, but the majority of them do not. They are very diverse organisations, reflecting the needs of their individual communities, and the variety of services they provide do not fit easily into a DGR category. This makes it difficult for them to raise funds to benefit their communities. The Treasury granted special listing in the tax legislation to the ANHCA Public Fund to enable it to coordinate the national fundraising activities of neighbourhood houses and centres. It is legally able to direct funds to other entities donors to support the activity and work of neighbourhood houses and centres throughout Australia. A copy of the letter from Treasury is attached (the legislation was passed in July 2013)

6. Who can donate to the ANHCA Public Fund for DGR?

Anyone can donate to the ANHCA Public Fund, including individuals, companies and philanthropic trusts. ANHCA is specifically listed in Division 30, section 30-45 of the Income Tax Assessment Act 1997 as a recipient for tax deductible gifts (page 245 – a copy of the relevant part of the legislation can be provided on request). As an “item 1” DGR with charitable status, it can accept donations from Private and Public Ancillary Funds.

7. Can we specify which organisation or centre the gift will benefit?

The Australian Taxation Office (ATO) has determined that a DGR grant-making body cannot provide assurances to a donor that it will comply with the donor’s request. If such an assurance is made, the donation would not qualify as a tax deductible gift. Therefore, your donation must be made unconditionally to the ANHCA Public Fund in order to be tax deductible, and the distribution of funds received is legally the decision of the ANHCA Public Fund Subcommittee. However, you can indicate the preferred beneficiary of your gift when you donate.

8. Does the ANHCA Public Fund take a commission on donations?

Yes. A percentage of donations is needed to defray the costs associated with:

- Review and approval of the organisation and project as being within ANHCA’s purposes
- Establishment of management account within the ANHCA Public Fund
- Receipt and processing of tax deductible donations
- Issuing of receipts to donors
- Distributions to eligible organisations
- Advice and general liaison with applicant organisation
- Follow-up for reporting and acquittal purposes.

At the current time ANHCA takes a 5% commission from all donations.

9. How can we be assured the funds will be used appropriately?

As is legally required of all public funds, the ANHCA Public Fund is administered by a Subcommittee, the majority of whom come under the ATO definition of ‘Responsible Persons’. They approve all releases of funds to ensure that they will be used for the benefit of the community.

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