

Schedule 5

Deductible gift recipients

Background

6.1 Tax deductions are provided to donors to organisations endorsed as deductible gift recipients (DGRs) under certain conditions. Gifts of \$2 or more are tax deductible.¹

6.2 To become a DGR, an organisation must fall within one of the general categories outlined or be listed by name in the legislation. The DRG status is said to assist eligible organisations 'to attract public support for their activities'.²

Purpose

6.3 The amendments to the *Income Tax Assessment Act 1997* update the DGR list to include four new entities, and extend the DRG status of three organisations. The four new DGRs are:

- Australasian College of Emergency Medicine
- ACT Region Crime Stoppers Limited
- The Grattan Institute, and
- Parliament of the World's Religions Melbourne 2009 Limited.

6.4 The three DGRs whose status periods are extended are:

- Bunbury Diocese Cathedral Rebuilding Fund
- St George's Cathedral Restoration Fund, and
- Yachad Accelerated Learning Project.³

Financial impact

6.5 The financial impact is estimated at \$7 million over four years and the compliance cost is estimated to be negligible.⁴

1 Explanatory Memorandum, p. 81.

2 Explanatory Memorandum, p. 81.

3 Explanatory Memorandum, p. 5.

4 Explanatory Memorandum, p. 6.

