

Tax - “Not for Profit” or “Charity”?

This fact sheet explains some of the differences between the tax treatment of a Not for Profit and that of a Charity.

Please talk to your Moores Legal advisor to understand the implications of this information.

	Not for profit organisations which do not qualify as a charity (Non charities)	Not for profit organisations which do qualify as a charity (Charities)
Mechanism for exemption from income tax	Self-assessment of income tax exemption under a heading other than “Charity”	Need to obtain endorsement from the ATO as a “Tax Concession Charity”.
Required to lodge tax returns?	No	No
Degree of certainty re eligibility for income tax exemption	Lower	Higher
Required to conduct annual self-assessment of eligibility?	Yes	Yes
GST	See GST concessions for non-profit organisations	See GST concessions for charities
Victorian State taxes		
Payroll tax	Generally payable. See Payroll Tax exemptions	Exempt
Land tax	Payable	Exempt
Stamp duty	Payable	Exempt
Municipal rates	Payable	Exempt
Refund of franking credits	Not available	Available

Details of tax concessions available to entities which are endorsed by the Australian Taxation Office as “Tax Concession Charities” are available at: [TCC tax concessions](#)

DISCLAIMER: This fact sheet is for general information and should not be regarded as being comprehensive or be relied on as (or in substitution for) legal advice.

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