



TAX EXEMPT STATUS

Tax Exempt Status

The Trust is required to pay tax on grants to applicant organisations that are not tax exempt. To make more funds available for distribution, it is therefore advantageous for the Trust if applicant organisations are registered with Charities Services or have income tax exemption status from the Inland Revenue Department (IRD).

We therefore strongly encourage all applicant organisations to register with Charities Services or to apply for an IRD income tax exemption.

As part of the application process, we require applicants to tick which category their organisation falls into on the online grant application form.

Regardless of whether an organisation is a charitable trust, incorporated society, charitable company or one of the many types of trusts or organisations under the Maori Land Act, it must be one of the following to qualify as income tax exempt:

- **Registered Charity** – we require the applicant organisation’s CC number from Charities Services to be entered on the online application form (the charity information will self-populate)
- **IRD Tax Exemption Status** – we require a copy of the IRD letter to be attached to the online application form certifying that the applicant organisation has been established for non-taxable purposes, and is exempt from paying tax (a Certificate of Exemption from Interest and Dividend PAYE or RWT Certificate does not fulfill tax exemption criteria)

If an applicant organisation is not currently a registered charity but has an application pending with Charities Services, there is a place to indicate this on the online application form.

If an applicant organisation is **not tax exempt**, this needs to be indicated on the online application form. At this stage, we do not discriminate against non-tax exempt organisations when considering grants, however this may change as many funders now require charities status as a basic eligibility criteria. For organisations that are not income tax exempt, it might be worthwhile to consider applying for tax exemption status for the future.

When completing an online application form, applicants should tick the appropriate box that declares the current tax position of the organisation.

'Here for the Community'