

Charitable Taxation

Make-A-Wish[®] New Zealand is authorised to receive donations by way of IRD (Inland Revenue Department) donee organisation status.

Donee Organisation Status

I. Donee Status – IRD

Make-A-Wish New Zealand has been awarded Donee Organisation Status by the IRD and as such it is authorised to receive donations. The rebate and deductions are allowable under the provisions of Income Tax Act 2007. IRD Number 61-631-852.

II. Certificate of Registration – Charities Commission

Make-A-Wish New Zealand was registered as a charitable entity under the Charities Act 2005 on 21st May 2008. Registration number CC24625.

Greater Tax Incentives for Charitable Donations

I. Charitable Taxation Rebate and Deductions

Budget 2007 removed the caps on the dollar amounts of charitable donations eligible for tax relief. The revised IRD tax rebate policy rewards donors for their generosity and it is enabling supporters to donate more in any one year (if their circumstances allow) and to plan gifts over time.

As of 1st April 2008, individuals can claim tax rebates up to the level of their taxable income (this means individuals can now claim a 33.3% tax rebate for cash donations up to their annual net income), while companies and Maori authorities can claim deductions for donations up to the level of their annual net income.

The good news for companies is that their entitlement to a deduction for donations made to Make-A-Wish New Zealand is now limited only by the amount of their net income. The company deduction has also been extended to unlisted close companies (companies with five or fewer shareholders).

Make-A-Wish New Zealand is very pleased to note that the removal of the cap on charitable donations rewards the many loyal supporters of the Foundation who have traditionally donated above the rebate threshold, and of course it also encourages everyone to donate more by planning gifts over time if their circumstances allow.

Make-A-Wish New Zealand has a number of tangible recognitions available to donors, including enduring recognitions for donors who would like to consider large investments to support the work of the Foundation.

II. Claiming Rebates

The end of the financial year is time when Make-A-Wish New Zealand encourages its donors to claim their rebate. To do this they must obtain a copy of the IRD rebate claim

form which can be downloaded from the IRD website www.ird.govt.nz or by calling IRD INFO express on 0800 257 773 (quoting their IRD number).

Once the IRD Rebate Claim Form (IR526) has been filed, this same form will be mailed by the IRD automatically each year to assist with future rebate claims.

For more detailed information an IRD or a tax consultant should be contacted.

III. Roles & Responsibility

Make-A-Wish New Zealand encourages all donators and potential donors to seek independent professional advice on all matters relating to charitable taxation.

Payroll Giving

I. How it works

From 7th January 2010 employers have been able to offer a new voluntary scheme called payroll giving to employees.

Payroll giving allows employees to 'give as they earn' by making donations directly from their pay to approved donee organisations. For every dollar an employee donates they receive a third back as a tax credit in the same pay period. Make-A-Wish New Zealand is an organisation that has IRD approved donee status and is therefore on the approved list to receive payroll donations.

An employer deducts any donation from their employee's pay, reduces their PAYE by the appropriate tax credit, and then forwards the donation to the chosen donee organisation.

Because payroll giving is voluntary, employers have the choice of whether to offer the scheme to their employees. Donations are made through the employer's payroll system.

Make-A-Wish New Zealand encourages any payroll donor to notify the Foundation of their giving so they can be acknowledged accordingly.

For more information contact your company's payroll co-ordinator or an IRD consultant.

For further information please contact:
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