



# AUSTRALIAN ACADEMY OF TECHNOLOGICAL SCIENCES AND ENGINEERING (ATSE)

## INFORMATION DOCUMENT:

### Donations & Bequests

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#### FRAMEWORK

ATSE **donations** are considered to be gifts (including cash) given to the Academy free from any liabilities, is made voluntarily and by way of benefaction by the donor. No material benefit is received by the donor.

A **bequest** is a gift made under a Will.

#### AUTHORITY

ATSE is Deductible Gift Recipient as listed under the *Income Tax Assessment Act 1997* (Subdivision 30-B, s. 30.25 Education; no special conditions). ATSE is a Registered Charity.

ATSE's not-for-profit operational status is defined in its Constitution and in the most recent (2006) Company Deed (copy attached). ATSE reconfirmed its charitable tax status via a self-assessment with the Australian Taxation Office (ATO) in February 2013.

#### PRINCIPAL PURPOSE OF THE ACADEMY

ATSE will ensure that donations and bequests received be used only to further the principal purpose of the Academy.

ATSE Purpose is as stated in the ATSE *Constitution*:

- a) *To promote in Australia the application of scientific and engineering knowledge to practical purposes; and without limiting the generality of the foregoing, to promote:*
  - i) *the development and practice of existing and new technologies*

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- ii) *the development of technology for more effective management of natural resources and improved competitiveness of industries and services*
  - iii) *the study of the effects of technology on the quality of life of the community and on the physical and sociological environment public services dependent on technological sciences and engineering*
  - iv) *the development of technology for national security and the prevention, control and mitigation of natural disasters*
  - v) *technology for ecologically sustainable development;*
- b) *to provide a forum for the study and discussion of issues relevant to the formulation of public policy for technological sciences and engineering based activities, and the communication of expert advice to Government and the community;*
  - c) *to encourage and enhance the pursuit of excellence in the technological sciences and engineering and in the management and development of technological industries;*
  - d) *to provide an incentive for the pursuit in Australia of technological sciences and engineering by the election to Fellowship of the Academy of persons of proven ability and achievement;*
  - e) *to develop an effective liaison with other Australian Academies concerned with the natural sciences, social sciences, humanities and the arts;*
  - f) *to collaborate with professional institutes, other learned societies and educational institutions in matters of mutual interest; and*
  - g) *to establish and maintain relations between the Academy and overseas bodies having essentially the same objectives in technological sciences and engineering as the Academy,*

*All of the above purposes are hereinafter called the "Objects of the Academy".*

## **TAX DEDUCTIBLE GIFT OR DONATION**

### **GIFT TYPES**

Most, but not all, gifts to ATSE may be tax deductible. To be tax deductible a gift must be money or property covered by one of the following gift types:

- a. **\$2 or more: money**  
The total of donations may be aggregated across a financial year.
- b. **Property > \$5,000: property valued by the Tax Office at more than \$5,000**  
"Property" has a wide definition. This category does not include testamentary gifts (i.e. those made under a will). The value of the gift will be determined by the ATO (where the property was purchased more than 12 months prior to the donation).
- c. **Property < 12 months: property purchased during the 12 months before the gift was made**  
"Property" has a wide definition; however it does not include donations of property that was not purchased by the donor. For example if a donor has won property, received property from a will or as a gift, that he or she wishes to donate, that

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donation is not tax deductible under this category.

The tax deductible amount for any gift of property is the lesser of either:

- a. the amount paid for the item (if purchased within twelve months of the donation)
- b. the value at the time of donation.

**d. Shares ≤ \$5,000: listed shares valued at \$5,000 or less, and acquired at least 12 months before the gift was made**

Shares can only be considered a tax-deductible donation when:

- a. they are shares in public company
- b. the company is listed on the ASX at the time they are donated
- c. the shares were acquired at least 12 months before they were gifted
- d. the market value of the shares was \$5000 or less on the day they were gifted

The deductible amount is the value of the shares on the day they are gifted.

**e. Trading stock: trading stock disposed of outside the ordinary course of business**

These items can be accepted and are tax deductible, however donors should check with their accountant as to how to declare and claim this tax deduction.

Note: It is the responsibility of the donor, not ATSE, to ascertain the value of property donated to ATSE.

## CONDITIONS OF GIFTS

To be considered a gift, for the purposes of tax-deductibility, a contribution must meet the following characteristics:

- there is a transfer of the beneficial interest in property;
- the transfer is made voluntarily;
- the transfer arises by way of benefaction; and
  - conditions of benefaction include the transfer of full right of custody and control to the property being donated to ATSE, “*without any countervailing detriment arising from the terms of transfer*”. I.e. where a detriment, liability or limitation is transferred with the property the attribute of benefaction may be missing.
- no material benefit or advantage is received by the giver by way of return.

Further information on the characteristics of gifts can be found in Taxation Ruling [TR 2005/13](#) at the ATO website: [www.ato.gov.au](http://www.ato.gov.au).

## BEQUESTS

By considering the Academy in your Will, you will make a lasting contribution to assist the Academy to promote and strengthen Technological Sciences, Engineering and Innovation to contribute to Australia's social, economic and environmental wellbeing. Substantial gifts may be associated in some conspicuous manner with the name of the benefactor.

### Types of Bequests:

A bequest is a gift made under a Will. Two of the most common types of bequests are:

- **a residuary bequest**, where a donor bequeaths (gives) a portion of the donor's residuary estate (i.e. what remains after all other gifts and costs have been paid); or
- **a specific bequest**, where a donor bequeaths a specified sum or an asset such as shares, property, or works of art.

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For those considering a bequest for a specific purpose, the Academy would be very pleased to discuss the intention of the bequest at any time. If you already have included the Academy in your Will, we would appreciate the opportunity to say “thank you”.

### **Will clauses - Bequests to the Academy for general purposes**

This category of bequest is the most flexible, giving the Academy the ability to decide which projects are funded by your bequest in response to changing needs and priorities. For this category of bequest, the following Will clause is suggested as a guide:

*I give (\*choose one of the following)*

- *[insert percentage] of my residuary estate*
- *the sum of [insert dollar amount]*
- *[insert details of specific asset such as shares or real property]*

*to Australian Academy of Technological Sciences and Engineering Limited ABN 58 008 520 394 (the Academy) for its general purposes and I declare that the receipt of the chief executive officer, treasurer or other proper officer for the time being of the Academy shall be a full and absolute discharge to my executors.*

### **Will clauses - Bequests to the Academy for stated purposes**

A donor may wish to nominate the particular endeavour that will benefit from the donor's bequest. Such bequests must be carefully expressed, to ensure that the donor's wishes can be implemented by the Academy. For this category of bequest, the following wording is suggested as a guide:

*Without creating a binding obligation on my executors or the Academy, I request that the Academy use this gift if at all practicable for [insert purpose] or the purpose in the Academy's absolute discretion which most closely matches this purpose and failing that for the general purposes of the Academy.*

This wording can be modified to reflect your wishes, but it is important to include our full legal name and our registered Australian Business Number (ABN). If you wish to direct your gift to a specific area of the Academy's work, please contact us first to discuss your wishes.

## **BENEFITS OR ACKNOWLEDGEMENT TO CONTRIBUTORS**

In some circumstances it is possible for a donor to receive some benefits in return for their contribution. [TR 2005/13](#) states that “*in order to constitute a gift, the giver must not receive a benefit or an advantage of a material nature by way of return. It does not matter whether the material benefit or advantage comes from the DGR or another party.*”

A right or privilege conferred as the result of or in connection with a transfer of property (including cash) may disqualify the transfer from being a gift for the purposes of tax-deductibility.

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## DONOR NOMINATED PURPOSE FOR DONATIONS

At times donors may express a wish to donate funds for specific purposes. This can be negotiated on a case by case basis; however the Academy has a number of preferred categories for donations.

### ATSE PREFERRED DONATION CATEGORIES:

- a. **Discretionary Project Funding**  
This category is used to increase the Academy's responsiveness to emerging issues in public policy. Discretionary funding is used to undertake research and develop policy positions through Board-approved projects to keep ATSE at the forefront of public policy development in Australia.
- b. **Education**  
Donations in this category are used to promote technology, science and engineering education at primary and secondary levels and to promote the understanding of science, technology and engineering to the broader, non-technical community. E.g. ATSE's STELR Program, ATSE's Wonder of Science Program.
- c. **Capital**  
Donations in this category will be used for large capital purchases.
- d. **Specific Purpose Donation**  
Donors may still nominate a specific purpose (such as a project) for their donation; however they are encouraged to discuss this with the President or CEO.
- e. **Recognition of Excellence Awards and Fellowships**

All donations, irrelevant of category, will be used to further the Principal Purpose of the Academy.

## AUTHORITY TO ACCEPT DONATIONS

ATSE may legally accept any donation offered. Determining the tax deductibility status of any donation, however, is solely the responsibility of the donor. ATSE has no legal responsibility to provide advice on tax deductibility and does not have the legal or financial expertise to provide such advice.

## ACKNOWLEDGEMENT OF DONATIONS

Australian taxation legislation allows for contributors to be acknowledged in a newsletter or periodical if the acknowledgement is of small cost and prominence. The Academy can acknowledge donors in its magazine *FOCUS*.

## DISCLAIMER

Depending on the type and amount of the intended donation or bequest, donors should consider taking advice from their solicitor, accountant, or financial adviser. The Academy's elected Officers and its staff will be pleased to answer questions, and can help define an appropriate purpose for any gift.

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## CONTACT

For further information or a confidential discussion please contact:

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Chief Executive Officer  
Australian Academy of Technological Sciences and Engineering  
+61-3-9864-0901  
[Margaret.hartley@atse.org.au](mailto:Margaret.hartley@atse.org.au)

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as to their tax obligations.*



## TAX DEDUCTIBLE DONATION FORM

ATSE will publicly acknowledge its donors.

Please tick this box if you wish to remain anonymous:

☐

### Contact Information:

Full name: \_\_\_\_\_

Company (if applicable): \_\_\_\_\_

Postal Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Email: \_\_\_\_\_

Contact phone: \_\_\_\_\_

### Donation Information:

Donation amount: \$ \_\_\_\_\_

#### Payment information (please check one):

☐ Cheque enclosed (payable to Academy of Technological Sciences and Engineering)

☐ Credit Card: Type:

☐ VISA

☐ MasterCard

☐ AMEX

Name on card: \_\_\_\_\_

Card number: \_\_\_\_\_ Expiry: \_\_\_\_\_

Signature: \_\_\_\_\_

Please forward completed forms via fax or post:

**Fax:** (03) 9864 0930

**Post:** GPO Box 4055  
MELBOURNE VIC 3001

Please contact the ATSE Office if you have any queries regarding donations:

T: (03) 9864 0900

The Academy of Technological Sciences and Engineering is a listed Deductible Gift Recipient, under the *Income Tax Assessment Act 1997* (the Act) s. 30.25.

Under s. 30.15 of the Act the Academy may accept gifts other than money; however these donations are subject to conditions under the Act. The Academy recommends you consult your accountant prior to making donations of this kind.

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## BEQUEST ADVICE FORM

ATSE will publicly acknowledge its donors.

Please tick this box if you wish to remain anonymous:

☐

### Contact Information:

Full name: \_\_\_\_\_

Company (if applicable): \_\_\_\_\_

Postal Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Email: \_\_\_\_\_

Contact phone: \_\_\_\_\_

### Bequest Details:

My bequest to the Australian Academy of Technological Sciences and Engineering is in the form of:

- ☐ A percentage of my residuary estate ( \_\_\_\_\_ %)
- ☐ The sum of \$ \_\_\_\_\_
- ☐ A specific or pecuniary gift [insert details of specific asset such as shares or real property]  
( \$ \_\_\_\_\_ OR \_\_\_\_\_ )

I give the above to the Australian Academy of Technological Sciences and Engineering Limited ABN 58 008 520 394 (the Academy) for its general purposes and I declare that the receipt of the chief executive officer, treasurer or other proper officer for the time being of the Academy shall be a full and absolute discharge to my executors.

Please forward completed forms via fax or post:

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MELBOURNE VIC 3001

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