

**Subiaco Primary School Council and Parents and Citizens'
Association Incorporated
Income Tax Status Review Worksheet for Self-assessing non-profit
organisations – Supporting Notes
2023**

Types of income tax organisations:

- Educational organisations – the P&C is not a public educational institution and so does not qualify for exemption under this category. Further, organisations which are connected with education such as ‘parents and friends committees’ are specifically excluded from this category.

- Community service organisations – we consider that the P&C qualifies under this category in that it meets all the following criteria:
 1. it is a not-for-profit society, association or club
 2. it is established for community service purposes (except political or lobbying purposes)
 3. it is not a charity
 4. it meets one of the three following tests
 - a. physical presence in Australia test
 - b. DGR test
 - c. prescribed by law test
 5. it complies with all the substantive requirements in its governing rules
 6. it applies its income and assets solely for the purpose for which it is established.

1) ‘not for profit’

- The P&C is a ‘not for profit organization’ by virtue of its Constitution:

2.0 OBJECTS

The objects of the Association are to promote the interests of the school, or group of schools, through:

2.1 Cooperation between parents, teachers, students and members of the general community;

2.2 Assisting in the provision of resources, facilities and amenities for the school or group of schools; and

2.3 The fostering of community interest in educational matters.

5.0 INCOME AND PROPERTY

5.1 The property and income of the Association must be applied solely towards the promotion of the objects or purposes of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to any member, except in good faith in the promotion of those objects or purposes.

2) Established for 'community service purposes' :

- The ATO website further clarifies this requirement:
 - Community service purposes are altruistic. This means they are established and operated for the wellbeing and benefit of others.
 - Community service organisations promote, provide or carry out activities, facilities or projects for the benefit or welfare of the community or any members who have a particular need by reason of youth, age, infirmity or disablement, poverty or social or economic circumstances.
 - Organisations that seek to advance the common interests of their members are not altruistic and cannot be community service organisations. If an organisation's main purpose is lobbying or political, its income will not be exempt.

- We assess that the P&C meets this criteria on the following basis:
 - The P&C complies with its Constitution:
 - 2.0 OBJECTS The objects of the Association are to promote the interests of the school, or group of schools, through:
 - 2.1 Cooperation between parents, teachers, students and members of the general community;
 - 2.2 Assisting in the provision of resources, facilities and amenities for the school or group of schools; and
 - 2.3 The fostering of community interest in educational matters.
 - Resources & funding provided by the P&C to the school is for the benefit of all children at the school, regardless of whether their parents are members of the P&C and regardless of whether their parents have paid the P&C contribution.

- The P&C runs the Uniform shop for the benefit of all families at the school, regardless of whether their parents are members of the P&C and regardless of whether their parents have paid the P&C contribution.
- The P&C runs the School Pool for the benefit of all families at the school and members of the community, regardless of whether their parents are members of the P&C and regardless of whether their parents have paid the P&C contribution. (Users are required to purchase a pass). (Also refer to the Partnership Agreement between the City of Subiaco and the P&C for the benefits to the wider community).
- Events which are run by the P&C are for the benefit of members of the school community, regardless of whether their parents are members of the P&C and regardless of whether their parents have paid the P&C contribution.

3) Not a charity:

- The P&C is not a registered charity with the Australian Charities and Not for Profit Commission (ACNC).

4) Physical presence in Australia test

- The P&C meets the 'physical presence in Australia test' in that it is registered at the school, holds events at the school and operates both the Uniform Shop and Pool at the school.

5) Complies with all the substantive requirements in its governing rules

- The P&C complies with all the substantive requirements in its Constitution.

6) Applies its income and assets solely for the purpose for which it is established

- The P&C complies with its Constitution:

5.0 INCOME AND PROPERTY

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