

## How you can help donors claim their tax credit

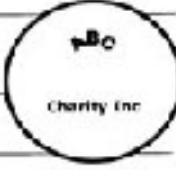
Anyone who makes a donation of \$5 or more to an approved "donee" organisation can claim a tax credit from Inland Revenue – provided the claim is supported by a valid receipt.

**Note:**

You can find a list of donee organisations at [www.ird.govt.nz](http://www.ird.govt.nz), keyword "donee".

If you're a donee organisation, how do your receipts measure up? Will your contributors be able to quickly make a successful claim at the end of the year?

You can help them by issuing valid receipts – like the example below:

RECEIPT		ABC Charity Inc	No 58
IRD number	12-345-678		
Date	10 / 2 / 2010		
Received from	Ben Smyth		
The sum of	5.00 dollars (donation)		
Signed	J. Jenson		
Cheque	\$	-	
Cash	\$	50.00	
Total	\$	50.00	

Please note what you **must have** on your receipt:

- The date the receipt is issued
- The donor's full name
- The amount donated
- Confirmation that the payment was a donation
- The signature of an authorised person
- The official stamp of the donee organisation. (Not needed if the receipt is printed on the organisation's official letterhead.)

**Definition:**

A payment is a "donation" if the payer receives no direct benefit in return.

Now the 'nice to haves':

It's a good idea to make sure the name of your organisation appearing on your receipts matches the name recorded in Inland Revenue's list of donee organisations. Consistent use of your name will help Inland Revenue's checking process, and may result in your contributor getting their tax credit sooner.

Including your organisation's IRD number and/or Charities Commission registration number on the receipt will also help speed the process up.

**Are you a school?**

School fees qualify as a donation, provided they go to the school's general fund. Payments that provide a direct benefit to the student are not classed as donations. Examples of non-qualifying payments are: woodwork fees, camp fees, payments for a school trip, and tuition fees.

It will help parents with their claim if you provide a breakdown of the school fees on the receipt, and clearly identify the portion that qualifies as a donation.

**Any questions?**

You can find more information about the donations tax credit at [www.ird.govt.nz](http://www.ird.govt.nz), keyword "donations".

Please note there are different rules for donations made through payroll giving. There's more information at [www.ird.govt.nz](http://www.ird.govt.nz), keyword "payroll giving".