

# Registering as a Charity

## **1. Background**

This activity and process applies to an organisation or Charitable Trust which exists for charitable purposes and qualifies as such under NZ legislation. It assumes that the organisation is already a legal entity and is incorporated with the Companies Office, so if this is not the case, you need to go through that process first. (See the Vision Motueka page for “Setting up a Charitable Trust”.)

Note that being incorporated as a Charitable Trust with the Companies Office does not make your organisation officially a Charity – a registered Charity must exist within explicit purposes which are truly charitable, and the registration process (described below) is done through the Charities Commission, not the Companies Office. Your task is to persuade the Charities Commission that you are an organisation with a genuine and legal charitable purpose.

The advantages of being registered as a Charity are two-fold:

1. You are exempt from paying taxes.
2. People donating money to you can claim tax deductions for such donations.
3. It is generally much easier to apply for grants from donor organisations, especially larger ones.

## **2. The process**

To start the process of applying to register as a Charity, go to the Charities Commission website: <http://www.register.charities.govt.nz/Home/RegisterOnline>. Read this page so you understand what’s coming (even print the page). When you’re ready to start, click “Continue” at the bottom of the page.

As it’s far easiest to apply online, you need to create a user account first. You just need to enter the organisation’s official name, click that it is a charitable trust, and fill in your basic personal contact details. This creates a user account, and you receive an email with details of that including a User ID and initial password. Print it for future reference.

From then on, you access the material on the website by logging in first, using the “Log in” button at the top left section of the page. The first time you log in, you are asked to change the password to one you can remember.

The form does not need to be completed in one sitting. You can stop at any point and log off, then come back later by logging in again, and you’ll find the information already entered has been stored.

When applying online you can expect it will take up to 20 minutes to complete the 5-step application for registration. Most of the process is pretty straightforward, and involves trying to characterise your organisation through selections of descriptions that are most appropriate, such as describing the purpose of the organisation, its main activities, who is designed to

benefit most, how you will get funding, and so on. Most of these selections allow you to tick more than one description.

The only bits that require a bit of extra work are the submitting of the organisation's Trust Deed or constitution/rules, and filling out an Officer Certification Form for every officer in your charity.

\* You should have your Trust Deed already prepared as part of incorporating as a Trust in the first place, so presumably a document showing them is available. It must be in PDF format.

\* The certification forms can be filled out online by one person on behalf of all the trustees – just keep adding a new name and fill in their details.

When all the information has been entered, the submission can be finalised and made through a mouse click.

Submissions can also be made by printing the forms, filling them in by hand, and posting them. However, an online application is so much easier and cleaner.

After submitting the documents, you will receive an acknowledgment usually within a week, probably with advice as to how long the process will take. The process involves checking the facts as presented, and particularly checking that the purposes are indeed “charitable” under the legislation. It may take up to two months for this to work through as the Charities Commission often has application backlogs.

## **Feedback**

If you have used this document to help or guide you through the process, we would appreciate your feedback regarding:

- How useful it was
- What instructions were missing or no longer correct (rules change from time to time)
- If you found any hiccups in the process which we have not mentioned, and which we could add to our instructions.

Please email us at [david@motuekaonline.org.nz](mailto:david@motuekaonline.org.nz) with your feedback.

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