

QUEENSLAND'S UNIQUE P&C ASSOCIATIONS



This fact sheet will assist individuals and organisations to understand the type of entity a Queensland Parents and Citizens' (P&C) Association is so P&Cs can continue to be eligible to receive grant-funding and conduct fundraising activities to further develop and support State Schools, enhancing student learning outcomes.

Not-for-profit (NFP) Status

A P&C is considered a 'not-for-profit' (NFP) organisation by the ATO (Australian Taxation Office). There is no registration or endorsement process for a "NFP entity".

To ensure a P&C maintains their NFP status, NO portion of a P&C's funds, income or assets will be distributed, paid, or transferred directly or indirectly to members of the Association. This is stipulated in the *P&C Association Model Constitution* under "No Distribution to Members". Wages are legally incurred expenses and are not considered to be a distribution to members.

NOTE: a NFP organisation can still make a profit, however, any profit they make must be used to carry out its purpose.

A P&C is a Charity under the State Collections Act 1966 (Qld).

A P&C is a sanctioned charity under this Act enabling them to undertake certain fundraising activities for a charitable and/or community purpose, including:

- appeals
- collections
- selling tickets or chances in art union or door-to-door appeals, etc.

A P&C is also able to conduct certain gaming activities, such as bingo, under the *Charitable and Non-profit Gaming Act 1999 (Qld)*.

A P&C is NOT a charity under the Commonwealth Charity Act 2013 administered by the ACNC.

A P&C is excluded from being a charity as it is an entity established under a State legislation (as a Statutory Body) (sections 4 and 5 of *Charity Act 2013*) and therefore cannot be registered with ACNC.

A P&C can still fundraise under the *Collections Act 1966 (Qld)*.

A P&C is a Statutory Body

Under the *Statutory Bodies Financial Arrangements Act 1982*, the P&C was established as a Statutory Body to carry out specific functions outside the traditional Departmental structure.

Australian Business Number Registration

A P&C requires their own Australian Business Number (ABN) as they are a separate entity from the school. Subcommittees of the P&C must use the same ABN as the P&C. A P&C is registered as 'Other Unincorporated Entity' on the Australian Business Register (ABR).

P&C Associations are NOT incorporated.

P&Cs are specifically excluded from incorporating by the *Associations Incorporation Act 1981* because P&Cs are established as a statutory body under section 133, chapter 6 of the *Education (General Provisions) Act 2006* and no organisation can be provided for by more than one Act of Parliament.

Some grant applications indicate a sponsor is required for unincorporated bodies and the P&C could nominate the school as a sponsor.

Income Tax Exempt

A P&C is income tax exempt as a statutory body, under section 50(1) of the *Income Tax Assessment Act 1997* and are not required to pay income tax nor lodge an income tax return.

