

Workplace giving - frequently asked questions

What is workplace giving?

Workplace giving is a program that lets employees donate money on a regular basis to one or more charities. The charity must be a deductible gift recipient (DGR) which means that donations to the charity are deductible for taxation purposes.

To check whether a charity is a DGR, visit business.gov.au

Can anyone donate to charities through their payroll?

Your employer must have a workplace giving program in place. Any employer who has one or more staff may start a workplace giving program.

How can I start workplace giving in my workforce?

Your employer must agree and put in place some simple steps. Employers should look at the <u>workplace</u> <u>aiving program</u> or phone us on **13 28 66**.

Can I make a donation anytime I like?

No. Workplace giving operates through your payroll system. If you get paid weekly, you must donate weekly. Someone who gets paid monthly must donate monthly.

Can I make a one-off donation through workplace giving?

Provided your employer is in agreement, you can make occasional or one-off payroll deductions that are not part of a regular planned arrangement.

Your employer will vary your withholding for these one-off donations. This will bring forward the tax benefit to the time you make the donation, instead of having to wait until the end of the financial year to claim it in your tax return.

Is there a minimum or maximum amount I can donate?

No, but your employer can set some rules around workplace giving. Some employers may set a minimum of \$2 per pay; others may have no minimum or maximum amount you can donate. But remember that donations must be \$2 or more to be tax deductible.

Will everyone who donates get a tax benefit each time they donate?

Most people who make a donation will see a tax benefit in their pay. If you donate only a small amount, you may not get a tax benefit until you claim your donations though your tax return.

I notice I pay less tax now that I donate through workplace giving. Does this mean I don't need to claim the amount I have donated in my tax return?

Everyone who donates through a workplace giving program must claim the total amount of donations in their tax return. You must do this regardless of whether you have been getting pay-day tax benefits for your donations.

Your employer will let you know how much you have donated over the year in some written form or it will be printed on your payment summary (group certificate).

Whose responsibility is it to check that the charity I donate to is a deductible gift recipient (that is, donations are tax deductible)?

Your employer must check that all the charities in their own workplace giving program are deductible gift recipients. They check this by visiting <u>business.gov.au</u> and looking up the Australian Business Register (ABR).

If my office has a workplace giving program in place will I have to donate?

No. Workplace giving programs are entirely voluntary. You don't have to donate to a charity through your payroll.

Who chooses what charities I can donate to in a workplace giving program?

Employers and employees should agree on which charities take part in any workplace giving program.

Can I stop my donation at any time?

Your employer will usually set some rules around workplace giving. Some may ask you to commit to six months of donations because more frequent changes can become expensive to administer.

Can I donate to more than one charity?

Yes. You can donate to as many charities offered in your program as you like.

Will my personal contact details be supplied to the charities concerned?

No charity should receive any details identifying individual donors without the donor's written permission. The charities will receive a bulk deposit each payday.

If I participate, how will I know what my money is being used for?

The advantage of workplace giving programs is that the charities receive regular income but don't have to issue individual receipts, saving time and money. So the charities incur little or no administration costs and 100% of donations go directly to the charity.

Employers should ask charities to provide regular feedback on how donations are being expended and pass on this information to employees making donations (and all employees for their information).

Where can I get more information about workplace giving?

Look at the workplace giving program or phone us on 13 28 66.

Many charities also provide guides or information on workplace giving.

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