



Timing it right – when to apply for registration under the Charities Act

The Charities Register opened on 1 February 2007 and charitable organisations had until 1 July 2008 to register with the Charities Commission before tax laws changed and existing charitable-purpose tax exemptions ended.

This information sheet explains why it may be best for your organisation to apply for registration as soon as possible.

When should we send in our application?

The Register will remain open indefinitely and while you can decide the best time for your organisation to apply, there are some benefits in applying for registration as soon as possible.

We received a very large number of applications in the final months before July 2008 and this resulted in a long processing queue. By sending in your application as soon as possible you will secure a place in the queue and we will process your application as soon as we can.

Delaying your application could lead to longer processing times and uncertainty about your tax liability. It could also cause a delay in having your organisation's details publicly available on the Charities Register. One way to avoid this uncertainty is to **apply now**.

Keeping up with legislation

It is important to remember that the tax laws relating to charities changed on 1 July 2008. Now, only those charities registered with us, the Charities Commission, will be eligible for tax exemptions on the grounds of charitable purpose.

This means that if your charity was tax exempt before 1 July 2008, that exemption no longer exists and you need to be registered with us to be eligible for charitable tax exemptions.

How long will it take to process our application?

The time it takes to process applications varies. We will be in touch as soon as we have processed yours – either to ask for more information or clarification, or to let you know that your organisation has been registered.

Information about processing timeframes is regularly updated on our website at **www.charities.govt.nz**

If there are many applications in the queue ahead of you, or many complex applications requiring analysis, this can add to processing times.

What else can influence processing time?

Occasionally, an application for registration can raise some complex issues that we need to talk through with the applicant. This additional correspondence may mean the application takes longer to process.

Backdating registration

The Charities Act does allow us to backdate registration. However, the effective registration date cannot be earlier than the date we received the properly completed application. In other words, we cannot backdate an incomplete application, and we cannot backdate it to a date earlier than we received it.

Is there an option to fast-track an application?

No. All applications are subject to the same rigorous examination process. They cannot be “fast-tracked” as this would reduce the quality of the registration process, which is critical to promoting public confidence in the charitable sector. Applications are considered in the order we receive them, so one application can’t be fast-tracked ahead of others.

Group registration

Applying to register a group under the Charities Act is a two-stage process and the time it takes to process group applications depends on the complexity of the specific application. If your organisation is considering a group application, please ask us for a *Group Registration Information Pack*.

How will the timing of an application affect the filing of Annual Returns?

The Charities Act requires all charities registered with us to send an Annual Return to the Commission within six months after their balance date. (Incorporated Societies that register with us will no longer be required to send Financial Statements to the Companies Office.)

We are aware that some organisations are choosing not to apply for registration now, as they would prefer to delay filing their first Annual Return.

The Charities Commission can grant an exemption from the requirement to send an Annual Return for any particular year.

While each case must be considered individually, there may be good grounds for exempting charities from filing Annual Returns that would contain information that pre-dates registration. If we consider it appropriate, we will contact you and offer an exemption.

See our information sheet *Annual Returns under the Charities Act* for more details about annual returns.

What happens if we apply now and then make changes at our AGM?

If you apply now and then make changes that you need to notify us about, simply do this by using the appropriate form.

Or, if we are still considering your application, write to us or email info@charities.govt.nz to let us know about the changes you have made. See our information sheet *What to do when something about your charity changes* for more detailed information.

You may find it helpful to take copies of Form 3 – *Notification of Changes* and Form 2 – *Officer Certification* along to your AGM, to be completed at the time.

Further information

We hope this information has been helpful.

For more information about the Charities Register or registration under the Charities Act, please visit www.charities.govt.nz

You can also call the Charities Commission on our free information line - **0508 242 748**.

To get updates by email, please send your name, organisation and contact details to info@charities.govt.nz.

