Standard Operating Procedure (SOP) 29
Charity Governance, ACNC Compliance & Sub Branch Use

Purpose

1. This document provides a complete overview of:
   - The types of charity status relevant to MBMMC
   - The difference between **ACNC Charity**, **Public Benevolent Institution (PBI)**, and **Deductible Gift Recipient (DGR)**
   - How National MBMMC uses its ACNC charity registration
   - How Sub Branches may leverage National's charity status
   - How PBI/DGR Status operates within the MBMMC veteran-support environment
   - How National Executive and Sub Branches must operate if PBI/DGR endorsement is obtained

2. This SOP ensures all Sub Branches are aware of their obligations, opportunities, and limitations under Australian charity law.

3. This SOP does not grant DGR or PBI Status; it outlines how MBMMC would operate under such endorsements if approved by the ATO.

4. This SOP must be read in conjunction with Annex D — National ACNC/DGR Policy Statement, which forms part of this SOP and carries the same authority.

5. Annex E (Background Brief: How and Why MBMMC Became a Charity) provides organisational context and explains the charitable foundations that underpin this SOP. It should be read to understand the intent and purpose behind MBMMC's charity governance framework.

Definitions

6. **ACNC Charity -** A charity registered with the Australian Charities and Not-for-profits Commission (ACNC).
   MBMMC National is an ACNC-registered charity.

7. **Public Benevolent Institution (PBI) -** A charity whose **dominant purpose** is the **direct relief of distress, hardship, or disadvantage**.

8. **Deductible Gift Recipient (DGR) -** A charity endorsed by the ATO to receive **tax-deductible donations**.

9. **Auspicing -** When National Executive applies for or receives grant funds **on behalf of a Sub Branch**.

10. **Charitable Purpose –** Activities that advance social or public welfare, relieve distress, or support vulnerable veterans and families.

11. **Assistance to Members** - MBMMC may provide benevolent relief to its members when they are part of the charitable class the organisation exists to support (veterans, ex-service personnel, and their families). Assistance is provided because they are veterans in need, not because they are members. MBMMC does not provide private benefits to members or member-only perks.

12. For detailed governance rules relating to ACNC charity status, PBI, and DGR, refer to Annex D — National ACNC/DGR Policy Statement.

13. Gift Fund Governance Policy – The national-level policy that sets out the rules, controls, and compliance requirements for the MBMMC National DGR Gift Fund.

14. Further organisational context is provided in Annex E — Background Brief: How and Why MBMMC Became a Charity.

Universal Application of Charity Rules

15. **Universal Application of Charity Rules -** The charity governance, benevolent-relief principles, and compliance requirements in this SOP apply to all MBMMC Sub Branches, regardless of whether they operate under National's ACNC charity registration or hold their own ACNC registration.

16. National does not direct or micromanage the day-to-day delivery of Sub Branch welfare programs; however, all Sub Branches must comply with ACNC and ATO charity-law requirements at all times.

17. All examples, restrictions, and benevolent-relief standards in this SOP apply equally to Sub Branches:
    - Using National ACNC Status, and
    - Operating under their own ACNC registration.

18. These requirements ensure consistent charity governance across MBMMC and protect the organisation and its members from compliance risk.

Use of Non-Charitable Funds

19. Sub Branches may raise and use funds for social, recreational, member-support, or club-related purposes, provided those funds are raised **without** using National or their own ACNC charity status (or logo) and are **not represented** as charitable activities.
20. Funds raised through RU events, social rides, merchandise, raffles, BBQs, or other non-charitable activities may be used for member benefit, club operations, or social purposes, as these activities fall outside ACNC charitable-purpose requirements.

21. Sub Branches must ensure that:
    - ACNC charity status or logo is **not referenced** in the fundraising or promotion of these activities.
    - Donations are **not described** as charitable or tax-deductible.
    - These funds are **not mixed** with charitable or auspiced funds

22. This ensures Sub Branches retain autonomy over their club-based activities while maintaining strict compliance with ACNC and ATO charity-law requirements.

Use of the term “Not-for-Profit”

23. All MBMMC Sub Branches that are incorporated associations operate as not-for-profit organisations under their respective state or territory Associations Incorporation Acts. This means they must not distribute profits to members and must apply their income to their stated purposes.

24. Sub Branches may therefore describe themselves as **not-for-profit organisations** when promoting or conducting non-charitable fundraising activities such as RU events, social rides, BBQs, raffles, merchandise sales, or member-benefit activities.

25. Sub Branches must not describe themselves as a **charity**, imply ACNC registration, or suggest that donations are **tax-deductible**, unless the Sub Branch itself holds ACNC charity registration or DGR endorsement.

26. This ensures Sub Branches can promote their activities transparently while maintaining compliance with ACNC, ATO, and consumer-law requirements.

Overview of Charity Status Types

27. **ACNC Charity Status (National or Sub Branch) -** ACNC registration confirms that an organisation:
    - Operates for charitable purposes
    - Meets governance standards
    - Is accountable to the ACNC
    - Can apply for many grants
    - Can receive donations
    - Can issue **standard** (non-tax-deductible) receipts

What ACNC Charity Status DOES NOT allow

- Issuing tax-deductible receipts
- Advertising donations as “tax-deductible”
- Accessing DGR-restricted grants
- ACNC Charity ≠ Tax Deductibility

MBMMC Example
(Note: Sub Branches used in these examples are illustrative only. Their real-world ACNC registration status may differ.)

- A business donates $1,000 to Rockingham Sub Branch.
- Rockingham is not ACNC-registered.
- National is ACNC-registered.
- National can accept the donation and transfer it to Rockingham — but **cannot** issue a tax-deductible receipt.

28. **Public Benevolent Institution (PBI) -** A PBI is a charity whose **dominant purpose** is the **direct relief of distress**. PBIs must provide:
    - Crisis assistance
    - Welfare support
    - Emergency relief
    - Mental health support
    - Advocacy
    - Outreach to vulnerable people

Why MBMMC fits the PBI model

Veterans are a recognised class of people who may experience:

- PTSD
- Depression
- Social isolation
- Homelessness risk
- Financial hardship
- Trauma
- Difficulty reintegrating into civilian life

MBMMC provides:

- Welfare checks
- Crisis support
- Advocacy
- VAC/VSC operations
- Structured peer-support rides
- Emergency assistance

These are **benevolent relief activities**, not recreational activities.

MBMMC Example

A veteran experiencing PTSD attends a structured ride and receives:

- Peer support
- Welfare observation

- Referral to Open Arms
- Follow-up welfare checks

This is **benevolent relief**, not recreation.

29. **Deductible Gift Recipient (DGR) -** DGR endorsement allows a charity to:
    - Issue tax-deductible receipts
    - Receive tax-deductible donations
    - Access DGR-restricted grants
    - Attract corporate sponsors
    - Important: MBMMC National is not currently DGR-endorsed.

    MBMMC Example
    A Perth business wants a tax-deductible receipt for a donation to Rockingham.
    Neither National nor Rockingham is DGR-endorsed, therefore:
    - You may accept the donation
    - You may issue a standard receipt
    - You cannot issue a tax-deductible receipt

Charitable vs Non-Charitable Activities (Guidance Table)

30. The following table provides practical guidance to assist Sub Branches in determining whether an activity is charitable and eligible for use under National ACNC Status.

Charitable Activities	Non-Charitable Activities
Welfare checks	Social rides
Advocacy (ATDP, wellbeing, claims support)	Social events, BBQs, member gatherings
VAC/VSC operations	Merchandise sales
Crisis support	Clubhouse improvements or maintenance
Visit-a-Vet / aged-care visits	Member-only activities
Emergency relief (food, fuel, accommodation)	Fundraising for non-charitable purposes
Mental-health stabilisation support	Recreational activities
Outreach to isolated or vulnerable veterans	Any activity benefiting members personally

Note: Only activities in the *charitable* column may be supported using National ACNC Status or (when obtained) DGR/PBI funds.

How Sub Branches Use National ACNC Status

31. Sub Branches must not submit any grant application referencing National ACNC Status without written approval from National Executive.

32. Sub Branches may rely on National's ACNC Status when:
    - Applying for State grants that allow auspicing
    - Applying for Federal grants that allow auspicing
    - Seeking support from councils, RSLs, and community groups
    - Demonstrating charitable purpose
    - Running welfare programs

33. Process
    - Sub Branch notifies National Executive of the grant
    - National Executive reviews the application
    - National Executive acts as the auspicing charity
    - Funds are received by National
    - Funds are transferred to the Sub Branch
    - Sub Branch delivers the project
    - Sub Branch submits acquittal reports to National Executive

    MBMMC Example
    Rockingham applies for a Veterans Wellbeing Grant.
    The grant allows auspicing.
    - National submits the application.
    - Rockingham delivers the program.
    - National acquits the grant.

How Sub Branches Cannot Use National ACNC Status

34. Sub Branches **cannot** use National's ACNC Status when:
    - A grant requires the applicant itself to be ACNC-registered
    - A grant prohibits auspicing
    - The activity is not charitable
    - The Sub Branch is non-compliant with reporting

35. National ACNC charity status must not be used for RU events, rides, social gatherings, merchandise, member-only activities, or any activity that provides private benefit to members. These activities are not charitable and cannot be supported, advertised, or funded under National ACNC Status.

MBMMC Example

- A Federal infrastructure grant requires the applicant to be ACNC-registered.
- Rockingham is not ACNC-registered.
- National cannot apply on their behalf.
- Rockingham must either:
  - Apply for ACNC registration, or
  - Not apply for that grant

Application and Approval Process

36. Before applying for any grant using National ACNC Status, the Sub Branch must:

- Notify the National Treasurer and National Secretary
- Provide the draft application, budget, and supporting documents
- Obtain written approval from National Executive
- Agree to all auspicing conditions, including financial reporting and acquittal requirements.

37. National Executive may decline to auspice a project if it does not align with MBMMC charitable purpose or presents compliance risk.
38. National Executive will:

- Review the application
- Confirm eligibility
- Submit the application if auspicing is required
- Manage funds in accordance with ACNC obligations

Understanding ACNC Charity vs PBI vs DGR

Financial Management

39. All funds received under National ACNC Status must:

- Be held in National accounts unless otherwise approved
- Be released to the Sub Branch according to the approved budget
- Be acquitted with receipts, reports, and evidence of expenditure
- Be used strictly for the approved charitable purpose

40. Sub Branches must not open separate bank accounts for auspiced funds unless authorised by National Executive.

Branch-Level ACNC Registration

41. Sub Branches may apply for their own ACNC registration when:

- Required by a grant program
- The Branch meets ACNC thresholds
- The Branch demonstrates governance capacity
- National Executive will provide:
  - Template constitutions
  - Guidance documents
  - Support during the application process

Example 1 — Veteran Member in Crisis
A Sub Branch identifies a member who is a veteran experiencing severe mental health decline. Welfare officers conduct a welfare check and provide:
- Immediate crisis support
- Referral to Open Arms
- Follow-up welfare monitoring

Relief is provided **because the individual is a veteran in need**, not because they are a member.

Example 2 — Veteran Member in Financial Hardship
A member who is a former ADF veteran is unable to afford essential fuel and food due to delayed DVA compensation. The Sub Branch provides:
- Emergency fuel vouchers
- Food assistance
- Advocacy support to progress their claim

Assistance is provided **in their capacity as a veteran experiencing hardship**, not as a club member.

42. Sub Branches that hold their own ACNC charity registration (including any existing PBI or DGR endorsement) remain legally responsible for their own charity operations, reporting, financial management, and compliance with ACNC and ATO requirements, accordingly:

    - Sub Branches that obtain their own ACNC charity registration remain subject to the same restrictions on charitable use as National. ACNC Status must not be used for RU events, rides, social gatherings, merchandise, member-only activities, or any activity that provides private benefit to members. These activities are not charitable and cannot be represented, advertised, or funded as charitable activities.
    - The benevolent relief definitions, examples, and welfare standards contained in this SOP apply equally to all Sub Branches, regardless of whether they operate under National's ACNC registration or their own.
    - These Sub Branches must operate under their own charity subtype and governing document, and must not represent themselves as being covered by the National Body's ACNC registration, PBI Status, or DGR endorsement.
    - Nothing in this SOP overrides or replaces the legal obligations of Sub Branches that are separately registered charities. However, these Sub

Branches remain bound by the MBMMC Constitution, National governance requirements, branding rules, welfare standards, and conduct expectations.

- Where a Sub Branch with its own ACNC registration wishes to align its welfare programs with National's PBI benevolent relief framework, it may do so voluntarily, provided this does not conflict with its own ACNC subtype or governing document.
- Sub Branches with their own ACNC registration must not use National's ACNC number, PBI Status, or DGR endorsement for grants, fundraising, welfare activities, or public representation.
- These restrictions apply regardless of whether funds are raised under National ACNC Status or through the Sub Branch's own charity registration.

Important: ACNC registration does not convert recreational or social activities into charitable activities. Only welfare-focused, benevolent, or advocacy-based activities qualify as charitable.

43. MBMMC acknowledges that some Sub Branches have historically operated as independent charities and may continue to do so. National governance requirements are intended to complement, not replace, their existing legal obligations. Where a conflict arises between this SOP and a Sub Branch's legal obligations under the ACNC Act, the Sub Branch must comply with the ACNC Act and notify National so that alignment can be achieved without breaching charity law.

44. Sub Branches must notify National Executive immediately upon receiving ACNC registration.

Note:Further detail is provided in Annex D — National ACNC/DGR Policy Statement.

How National Would Use PBI/DGR Status (When Obtained)

45. The operation, management, and financial controls of the National DGR Gift Fund are governed by the MBMMC National Gift Fund Governance Policy. This Policy is a standalone national-level governance document and must be read in conjunction with this SOP. Sub Branches must not operate, manage, or independently access the Gift Fund.

46. PBI/DGR endorsement requires a separate ATO application and is not automatic. If National obtains PBI/DGR Status:

National can:

- Issue tax-deductible receipts
- Accept tax-deductible donations
- Apply for PBI-restricted grants
- Operate a DGR Gift Fund
- Expand welfare operations nationally

National must:

- Maintain a DGR Gift Fund
- Use DGR funds only for benevolent relief
- Keep separate financial records
- Report annually to the ATO

MBMMC Example

- A corporate sponsor donates $10,000 for veteran crisis support.
- National issues a tax-deductible receipt.
- Funds go into the DGR Gift Fund.
- Funds are used for:
  - Emergency accommodation
  - Food vouchers
  - Crisis transport
  - Welfare casework

Tax Treatment Under PBI/DGR Endorsement

47. **PBI/DGR endorsement does not provide MBMMC with general tax-free purchasing rights.** PBIs are only eligible for GST-free treatment on goods or services that are **directly and solely used for benevolent relief**, and only where the supplier agrees to treat the supply as GST-free under Division 38 of the GST Act.

Examples of GST-free benevolent relief purchases (supplier-dependent): · Emergency accommodation for a veteran in crisis · Food hampers or essential groceries for welfare cases · Fuel vouchers for emergency transport · Crisis transport services · Counselling or mental-health support services · Essential household items for veterans in hardship

Examples of purchases that remain fully taxable (GST applies): · Motorcycles, trailers, tools, equipment · Clubhouse improvements or maintenance · Merchandise or fundraising stock · RU event costs, rides, social activities · Office equipment, admin supplies, utilities · Fuel for club operations · Any activity providing private benefit to members

Important: GST-free treatment applies only where the purchase is directly for benevolent relief and the supplier elects to treat the supply as GST-free. PBI/DGR endorsement does not exempt MBMMC from stamp duty, registration fees, insurance, or other statutory charges.

48. **ACNC Charity Status and ATO Charity Tax Concessions** ACNC registration alone does not provide MBMMC with any tax exemptions on purchases. MBMMC National receives **standard ATO charity tax concessions**, including:
    - Income Tax Exemption
    - GST Concessions (charity GST rules, GST credits, non-commercial supply rules)
    - FBT Rebate (up to the annual rebate cap)

Further detail and practical examples of these concessions are provided in **Annex G – Tax Treatment for Sub Branches**.

49. These concessions **do not** allow MBMMC to purchase goods or services “tax-free”, and they **do not** provide GST-free purchasing rights. GST-free purchasing is only available to **Public Benevolent Institutions (PBIs)** under Division 38 of the GST Act, and only when the purchase is directly for benevolent relief and the supplier elects to treat the supply as GST-free.

50. Under ACNC charity status and standard ATO concessions, MBMMC receives **no additional tax benefits** beyond those available to any ordinary Australian citizen or organisation. This includes:
    - No GST exemptions
    - No stamp duty exemptions
    - No reductions in registration fees
    - No reductions in insurance or utilities
    - No ability to purchase goods “tax-free”
    - No ability to issue tax-deductible receipts

51. ACNC registration confirms charitable purpose and governance standards, but **does not provide tax-free purchasing rights**.

52. **PBI Endorsement Provides Limited GST-Free Purchasing** If MBMMC National obtains PBI endorsement, the organisation may receive **GST-free supplies**, but **only** when:
    - The purchase is **directly and solely for benevolent relief**, and
    - The supplier elects to treat the supply as GST-free under Division 38 of the GST Act.

    This is not automatic and is at the supplier’s discretion.

Examples of GST-free benevolent-relief purchases (supplier-dependent):
- Emergency accommodation for a veteran in crisis
- Food hampers or essential groceries
- Fuel vouchers for emergency transport
- Crisis transport services
- Counselling or mental-health support
- Essential household items for veterans in hardship

53. **Purchases That Remain Fully Taxable (Even With PBI/DGR)** PBI/DGR endorsement does **not** exempt MBMMC from GST or other taxes on normal operational or club-related purchases.

    The following remain fully taxable:
    - Motorcycles, trailers, tools, equipment
    - Clubhouse improvements or maintenance
    - Merchandise or fundraising stock
    - RU event costs, rides, social activities
    - Office equipment, admin supplies, utilities
    - Fuel for club operations

- Insurance, registrations, permits
- Any activity providing private benefit to members

These activities are not benevolent relief and cannot be funded or represented as charitable under PBI/DGR rules.

54. **DGR Endorsement Provides Tax Benefits to Donors, Not MBMMC** DGR endorsement allows MBMMC to:
    - Issue tax-deductible receipts
    - Receive tax-deductible donations
    - Access DGR-restricted grants

    However, DGR endorsement **does not** provide MBMMC with tax-free purchasing rights.

How Sub Branches Would Use National PBI/DGR Status

55. Sub Branches may:
    - Refer donors to National Executive for tax-deductible donations
    - Request National Executive to auspice DGR-restricted grants
    - Receive internal transfers from National's DGR Gift Fund (for benevolent relief only)
    - Promote National's DGR Status in fundraising (once approved)

56. Sub Branches may NOT:
    - Issue tax-deductible receipts
    - Use DGR funds for social or club activities
    - Use DGR funds for merchandise, rides, or events
    - Use DGR funds for administration

57. Sub Branches that are not ACNC-registered must not represent themselves as charities, imply they are registered charities, or imply they hold DGR Status. This includes statements such as "we are a charity", "we are a registered charity", "we are a DGR", or "we can issue tax-deductible receipts".

    Note: Sub Branches may only describe themselves as charities if they have obtained their own ACNC registration.

58. Only ACNC-registered Sub Branches may use the term "charity" in public communications, advertising, social media, fundraising materials, or grant applications. Non-(ACNC)-registered Sub Branches must not describe themselves as a charity or imply charitable registration.

    Note: Sub Branches may state that they are part of the MBMMC organisation, which is a registered charity, but must not imply that the Sub Branch itself is ACNC-registered unless it has obtained its own registration.

MBMMC Example

- A Sub Branch identifies a veteran family in crisis.
- They request $500 from National's DGR Gift Fund.
- National Executive approves and transfers the funds.
- Funds are used for:
  - Emergency food
  - Fuel
  - Essential household needs

This is fully compliant.

Examples of Benevolent Relief in the MBMMC Environment

Example 1 — Crisis Support

A veteran loses housing unexpectedly, MBMMC provides:

- Emergency accommodation
- Food
- Welfare support
- Referral to housing services

Example 2 — Mental Health Support

A veteran experiencing PTSD attends a structured ride, the ride provides:

- Peer support
- Observation by welfare officers
- A safe, military-familiar environment
- Follow-up welfare checks

Example 3 — Emergency Assistance

A veteran family cannot afford fuel or groceries, MBMMC provides:

- Fuel vouchers
- Food hampers
- Welfare follow-up

Example 4 — Advocacy Support

A veteran needs help with a DVA claim, MBMMC provides:

- Advocacy
- Documentation support
- Appointment assistance
- Follow-up welfare checks

Compliance Requirements

59. All Sub Branches must:
    - Follow this SOP
    - Maintain welfare records
    - Submit quarterly welfare reports
    - Use National ACNC Status only when permitted
    - Use DGR funds (when available) only for benevolent relief

- Maintain financial transparency

60. Failure to comply may result in suspension of access to National ACNC Status or National Executive intervention.

Consequeances for Misuse

61. Misuse of National ACNC Status, or misrepresentation of charity or DGR Status, may result in NEC intervention, suspension of Sub Branch operations, removal of access to National ACNC Status, or reporting to regulatory authorities where required.

Review

62. This SOP will be reviewed annually or when:
    - ACNC legislation changes
    - ATO DGR requirements change
    - MBMMC obtains PBI/DGR Status
    - Annex D (National ACNC/DGR Policy Statement) will be reviewed concurrently with this SOP

Annex List

Annex A - PRACTICAL EXAMPLES IN THE MBMMC VETERAN COMMUNITY
Annex B - APPLICATION TO USE NATIONAL ACNC CHARITY STATUS
Annex C - SUB BRANCH GUIDE: HOW TO APPLY FOR ACNC CHARITY REGISTRATION
Annex D - NATIONAL ACNC / DGR POLICY STATEMENT
Annex E - BACKGROUND BRIEF: HOW AND WHY MBMMC BECAME A CHARITY
Annex F – WELFARE REPORTING TEMPLATE
Annex G - TAX TREATMENT FOR SUB BRANCHES UNDER ACNC, PBI AND DGR ENDORSEMENT
Annex H - FAQ: ACNC, PBI, DGR, TAX, PURCHASES & DONATIONS

PRACTICAL EXAMPLES IN THE MBMMC VETERAN COMMUNITY

Example 1 — Donation from a business in Perth

A business wants to donate $1,000 to Rockingham Sub Branch and asks for a tax-deductible receipt.

- **Allowed:** National Executive can accept the donation and issue a **standard receipt**
- **Not allowed:** Issuing a tax-deductible receipt
- **Process:**
    - Donation paid to National
    - National receipts it correctly
    - Funds transferred internally to Rockingham
    - Donor informed it is **not tax-deductible**

Example 2 — Veteran welfare program

Rockingham wants to run a firewood delivery program for vulnerable veterans.

- **Allowed:**
    - Use National ACNC Status
    - Apply for State grants (if auspicing permitted)
    - Receive donations and sponsorship
- **Not allowed:**
    - Advertising donations as tax-deductible

Example 3 — Corporate sponsorship for RU26

A company offers $5,000 to support RU26 and asks whether it is tax-deductible.

- **Allowed:**
    - Accept the sponsorship
    - Provide a standard receipt
- **Not allowed:**
    - Claiming it is tax-deductible

- **Note:** Sponsorship is usually a business expense anyway, so they can often claim it without DGR Status.

Example 4 — Sub Branch applying for a Federal Grant

A Federal grant requires ACNC registration but allows auspicing.

- **Allowed:**
  - Sub Branch applies using National ACNC Status
  - National acts as auspice
- **Not allowed:**
  - Sub Branch applying alone if it is not ACNC-registered

Example 5 — A grant requiring DGR Status

Some Commonwealth grants require the applicant to be a DGR.

- **Not allowed:**
  - Neither National nor Sub Branches can apply
- **Solution:**
  - Seek alternative grants
  - Consider long-term DGR strategy

Example 6 — Using Non-Charitable Funds for Member Benefit

A Sub Branch runs a BBQ fundraiser without using ACNC Status.

- **Not allowed:**
  - Describe the event as a “charity fundraiser”
  - Suggest donations are tax-deductible
- **Allowed:**
  - Use proceeds for member support, RU events, or club activities
  - Describe the event as supporting a “not-for-profit veterans motorcycle club”

5. Summary Table

Feature	ACNC Charity	DGR Endorsement
Recognised charity	✓ Yes	✓ Yes
Can apply for most grants	✓ Yes	✓ Yes
Can issue standard receipts	✓ Yes	✓ Yes
Can issue **tax-deductible** receipts	❌ No (unless DGR endorsed)	✓ Yes
Required for some Federal grants	❌ No	✓ Yes
Required for corporate tax-claimable donations	❌ No	✓ Yes
Enity must hold this status to use it	✓ Yes	✓ Yes
MBMMC National currently holds this	✓ Yes	❌ Not currently
Sub Branch may hold this independently	✓ Yes (if registered)	✓ Yes (if endorsed)

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6. Key Takeaways for Sub Branches

- MBMMC is a **registered charity**, not a DGR.
- Sub Branches may use National ACNC Status when permitted.
- Donations can be accepted, but **not** issued as tax-deductible.
- National can receive funds on behalf of Sub Branches and transfer them internally.
- If a donor requires a tax-deductible receipt, MBMMC cannot provide one.
- DGR endorsement is a separate, more complex process requiring National Executive consideration.
- Sub Branches may use non-charitable (NFP) funds for member-benefit, social, and club activities – ensuring Constitution paragraph 86d and SOP 4 paragraph 4 are not breached if Sub Branch Building Funds are utilised.
- NFP fundraising may be promoted as supporting a “not-for-profit veterans motorcycle club”, but not as a charity fundraiser.
- Only ACNC-registered Sub Branches may call themselves charities; all others must use “not-for-profit”.

- NFP funds may be voluntarily donated into the National DGR Gift Fund, but cannot be withdrawn for member or club use once transferred.
- (DGR) Gift Fund money can only be used for benevolent relief, never for RU events, social activities, or member benefits.

Military Brotherhood MMC

Annex B to
SOP 29 – Rev 01 Nov 2026

APPLICATION TO USE NATIONAL ACNC CHARITY STATUS

Purpose: This form must be completed by any MBMMC Sub Branch seeking to use the National Body's ACNC charity registration for a grant application, donation, sponsorship, or auspiced project.

All requests must be reviewed by the relevant State President BEFORE submission to National Executive. This form should be submitted at least 14 days before the grant closing date.

1. Sub Branch Details

Sub Branch Name: _____

State of Incorporation: _____

Sub Branch ABN (if applicable): _____

President: _____

Treasurer: _____

Contact Email: _____

Contact Phone: _____

2. Purpose of Request

Please select the purpose for which National ACNC Status is being requested:

☐ **Grant Application (State)**
☐ **Grant Application (Federal)**
☐ **Donation requiring National receipting**
☐ **Corporate Sponsorship**
☐ **Welfare or Community Project**
☐ **Other (describe):** _____

3. Project / Funding Details

Name of Grant / Donor / Sponsor:

Funding Body / Organisation:

_____

Project Title:

_____

Brief Description of Project / Activity (100–200 words):

_____

_____

_____

_____

_____

Total Funding Amount Sought: $_____

Does the funding body allow auspicing?
☐ Yes ☐ No ☐ Unsure (attach guidelines)

4. Alignment With MBMMC Charitable Purpose

Explain how the project supports veterans, ex-service personnel, or community welfare:

_____

_____

5. Sub Branch Responsibilities (to be acknowledged by ticking all boxes)

The Sub Branch agrees to:

☐ Use funds **only** for the approved charitable purpose
☐ Provide National Executive with all required documentation for submission
☐ Maintain accurate financial records and receipts
☐ Submit progress and final acquittal reports to National Executive
☐ Comply with National Executive governance and financial controls
☐ Ensure no funds benefit individual members outside charitable purpose
☐ Acknowledge that National Executive retains legal and financial responsibility for auspiced funds

6. Required Attachments

Please attach:

☐ Draft grant application / donor request
☐ Project budget

☐ Funding guidelines (showing auspicing rules)
☐ Quotes (if applicable)
☐ Supporting documents (letters, photos, plans, etc.)

7. Sub Branch Authorisation

President Name: _____

Signature: _____ Date: _____

Treasurer Name: _____

Signature: _____ Date: _____

8. State President Review & Authorisation

All requests must be reviewed by the State President prior to National Executive consideration.

Review Comments:

_____

_____

_____

_____

Recommendation:

☐ Recommended for Approval

☐ Recommended with Conditions

☐ Not Recommended

Reviewed by State President:

State: _____

Name: _____

Signature: _____

Date: _____

9. National Office Use Only

Reviewed by National Treasurer:

Name: _____

Signature: _____

Date: _____

Reviewed by National Secretary:

Name: _____

Signature: _____

Date: _____

Does this request involve Veteran support services ? ☐ **Yes** ☐ **No**

If yes, reviewed by Senior Advocate:

Name: _____

Signature: _____

Date: _____

Outcome:

☐ Approved ☐ Approved with Conditions ☐ Resubmit ☐ Not Approved

Conditions (if any):

_____

_____

_____

_____

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Notes:

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SUB BRANCH GUIDE: HOW TO APPLY FOR ACNC CHARITY REGISTRATION

1. Purpose

This Annex provides a **clear, step-by-step guide** for MBMMC Sub Branches seeking to apply for their own **ACNC Charity Registration**. Sub Branches must not apply for ACNC registration without National Executive review of the application.

It explains:

- When a Sub Branch should apply
- Eligibility requirements
- Documents needed
- How to complete the ACNC application
- What to expect after applying
- Ongoing obligations once registered

This Annex does **not** cover DGR or PBI endorsement.

2. When a Sub Branch Should Apply for ACNC Registration

A Sub Branch should consider applying for ACNC registration when:

A. A grant requires the applicant itself to be ACNC-registered

Some State and Federal grants do **not** allow auspicing.

B. The Sub Branch is delivering significant welfare programs

Examples:

- VAC/VSC operations
- Welfare casework
- Crisis support
- Emergency assistance

C. The Sub Branch wants to strengthen its credibility

ACNC registration improves:

- Public trust
- Sponsorship opportunities
- Partnerships with councils and ESOs

D. The Sub Branch meets ACNC thresholds

The ACNC generally expects:

- A clear charitable purpose
- Basic governance capacity
- A functioning committee
- Financial record-keeping

If unsure, Sub Branches should consult their State President and National Executive.

3. Eligibility Requirements
To be eligible for ACNC registration, a Sub Branch must:

A. Be an incorporated association
This is already required under SOP 25.

B. Operate for a charitable purpose
For MBMMC Sub Branches, this is:
- Advancing social or public welfare
- Supporting veterans and families
- Providing welfare, advocacy, and crisis assistance

C. Not operate for private profit
The Constitution already prohibits pecuniary gain.

D. Have a governing committee
President, Treasurer, Secretary, and committee members.

E. Have a suitable Constitution
Sub Branches must use the National Constitution they have submitted to their Incorporated Association controlling Authority.

4. Documents Required for the Application
Sub Branches must prepare the following:

A. Constitution
Must include:
- Charitable purpose
- Non-profit clause
- Winding-up clause
- Responsible persons clause

The current National Constitution submitted to the Sub Branch Incorporated Accociation Controlling Authority has all these clauses included.

B. Minutes of the Sub Branch General Meeting approving the application
A simple motion is sufficient.

C. List of Responsible Persons
Committee members with:
- Full name
- Position
- Contact details

D. Sub Branch ABN
If the Branch does not have an ABN, it must apply for one first.

E. Description of Activities
Examples:
- Welfare checks
- Advocacy
- VAC/VSC operations
- Crisis support

- Peer-support programs

F. Estimated financial information

Basic income and expenditure estimates.

5. Step-by-Step Application Process

Step 1 — Notify National Executive

Sub Branch informs:

- State President
- National Secretary
- National Treasurer

Step 2 — Prepare documents

National Executive will assist with:

- Constitution review
- Purpose statements
- Activity descriptions

Step 3 — Create an ACNC login

Use the Sub Branch ABN to create an account.

Step 4 — Complete the online form

The ACNC will ask for:

- Purpose of the charity
- Who you help
- How you help them
- Activities
- Responsible persons
- Financial estimates

Step 5 — Upload required documents

Constitution, minutes, and any supporting documents.

Step 6 — Submit the application

National Executive must review before submission.

Step 7 — ACNC Assessment

The ACNC may:

- Approve immediately
- Request more information
- Ask for clarification

National Executive will assist with responses.

Step 8 — Registration Granted

The Sub Branch receives:

- ACNC Certificate
- Charity Register listing
- Ongoing reporting obligations

6. What Happens After Registration
Once registered, the Sub Branch must:

A. Submit an Annual Information Statement (AIS)
Due each year.
Note: The Annual Report to the Sub Branch Incorporated Association Controlling Authority will now be issued to ACNC.

B. Maintain financial records
Receipts, bank statements, welfare expenditure.

C. Maintain governance standards
Committee meetings, minutes, conflict-of-interest management.

D. Notify ACNC of changes
Such as:
- Committee changes
- Constitution changes
- Address changes

E. Continue operating for charitable purposes
Welfare must remain the dominant activity.

7. Support Provided by National Executive
National Executive will provide:
- Constitution
- Purpose statements
- Activity descriptions
- Governance guidance
- Review of application documents
- Assistance responding to ACNC queries
- Ongoing compliance support

Sub Branches are not expected to navigate the ACNC process alone.

8. Summary Checklist for Sub Branch Presidents

Part 1: Application for Charity Status & Incorporation (Ref: SOP 25, SOP 10, SOP 2)

Before Applying (Structural Integrity Audit)
☐ **Service Member Minimum:** Verify a minimum of **five (5) Service Members** are committed.
☐ **"Do Not Admit" Verification:** Contact the National Secretary to check all founding members against the National Database before accepting applications. Incorporated association
☐ Executive Formalisation: Elect the Executive. The roles of President, VP, Secretary, and Treasurer must be held by four individual and differing members (no "double-hatting"). association
☐ **Physical Signature Mandate:** Ensure all founding documents and membership forms are **physically signed** (No Digital Signatures) Incorporated association

☐ **Legal Incorporation:** Successfully register as an incorporated association in your State.
☐ **ABN Obtained:** Secure a valid Australian Business Number for the Sub-Branch.
☐ **Safe Haven Alignment:** Confirm 100% agreement on creating a "safe haven" for Veteran Support.

During Application (The Process)

☐ **Notify National Executive:** Formally notify NAT EXEC of the intent to register as a charity.
☐ **Prepare Documents:** Compile Constitution, minutes, and "No Fees" policy declaration.
☐ **ACNC Submission:** Complete the ACNC form and upload required documents with NAT EXEC approval.

After Registration

☐ **Submit AIS Annually:** File the Annual Information Statement with the ACNC.
☐ **Maintain Records:** Keep rigorous, transparent financial and welfare records.
☐ **Governance Standards:** Continuous adherence to national and ACNC standards. standards
☐ **Notify ACNC of Changes:** Update the ACNC regarding any committee or address changes.

Part 2: Advocacy Program Authorization Gates (Ref: SOP 14)

This SOP defines how the Club manages its status as a charity. Since advocacy is the **primary benevolent activity** that justifies this status, the authorization steps of SOP 14 are repeated here to ensure the President verifies both the *entity* and the *service delivery*.

In accordance with the VETS Act 2025, the Sub-Branch President must oversee a mandatory four-gate process to transition a member from trainee to authorized practitioner. This ensures the delivery of benevolent services remains compliant with national standards and insurance requirements.

☐ **Gate 1: Qualification & Training (11019NAT):** The member must successfully complete the nationally accredited 11019NAT Course in Military Advocacy and be guided by an ESO-appointed mentor.

☐ **Gate 2: Local Authorization:** The President must verify that the Workplace Experience Logbook (Annex B to SOP 14) has been signed off by the Mentor and then issue a formal "Written Authority to Practice".

☐ **Gate 3: National Notification (The Critical Link):** The Sub-Branch must notify the National Executive in writing immediately using Annex C to SOP 14, ensuring the State President is copied on the submission.

☐ **Gate 4: VITA Activation and Register Entry:** National Authorised Persons will complete the process by entering the practitioner into the Accredited Advocate Register and confirming their inclusion under the unified national VITA policy.

[CAUTION] AUDITOR CRITICAL WARNING: Failure to provide written notification (Gate 3) results in the immediate invalidation of VITA Professional Indemnity Insurance for that practitioner. This creates significant personal and organizational liability.

9. Key Message

ACNC registration strengthens the Sub Branch, improves credibility, and expands access to grants — but it must be done correctly, with National Executive oversight, and with a clear understanding of ongoing obligations.

NATIONAL ACNC / DGR POLICY STATEMENT

1. Purpose of This Policy
This policy establishes the official position of the Military Brotherhood Military Motorcycle Club (MBMMC) regarding:

- National ACNC charity registration
- Sub Branch use of National charity status
- The difference between ACNC Charity, Public Benevolent Institution (PBI), and Deductible Gift Recipient (DGR)
- How these statuses apply within the MBMMC veteran-support environment
- How National Executive and Sub Branches must operate under each status

This policy ensures consistent, lawful, and transparent use of charity status across all MBMMC entities.

2. National Charity Status
The Military Brotherhood Military Motorcycle Club Incorporated (National Body) is a **registered charity** with the Australian Charities and Not-for-profits Commission (ACNC).
National's charity subtype:
Advancing social or public welfare (veteran support)

What National ACNC Status confirms
National is recognised by the Commonwealth as:

- A legitimate charity
- Operating for charitable purposes
- Meeting governance and reporting standards
- Eligible for many State and Federal grants
- Able to receive donations and issue **standard (non-tax-deductible)** receipts

What National ACNC Status does NOT provide

- It does **not** allow National to issue tax-deductible receipts
- It does **not** grant DGR endorsement
- It does **not** automatically extend charity registration to Sub Branches

3. Sub Branch Charity Status
Sub Branches are **independent incorporated associations** under their respective State/Territory laws.
A Sub Branch may:

- Operate as a non-profit organisation
- Apply for its own ACNC charity registration
- Use National's ACNC Status **only when permitted** (see Section 5)

A Sub Branch **does not** automatically inherit National's charity status.

4. Understanding ACNC Charity vs PBI vs DGR

4.1 ACNC Charity (General Charity)

A charity registered with the ACNC.

Allows:

- Fundraising
- Grant applications
- Welfare programs
- Standard donation receipts
- Public recognition as a charity

Does NOT allow:

- Tax-deductible receipts
- Access to DGR-restricted grants

4.2 Public Benevolent Institution (PBI)

A PBI is a charity whose **dominant purpose** is the **direct relief of distress, hardship, or disadvantage**.

PBIs must provide:

- Crisis assistance
- Welfare support
- Emergency relief
- Mental health support
- Advocacy
- Outreach to vulnerable people

Why MBMMC fits the PBI model

Veterans commonly experience:

- PTSD
- Depression
- Social isolation
- Homelessness risk
- Financial hardship
- Trauma
- Difficulty reintegrating into civilian life

MBMMC provides:

- Welfare checks
- Crisis support
- Advocacy
- VAC/VSC operations
- Structured peer-support rides
- Emergency assistance

These are **benevolent relief activities**, not recreational activities.

4.3 Deductible Gift Recipient (DGR)

A DGR is a charity endorsed by the ATO to receive **tax-deductible donations**.

Allows:

- Tax-deductible receipts
- Corporate deductible donations

- Access to DGR-restricted grants
- Stronger sponsorship opportunities

Requires:

- ATO endorsement
- A DGR Gift Fund
- Strict financial separation
- Benevolent relief as the dominant purpose

MBMMC National is **not currently DGR-endorsed**.

5. How Sub Branches May Use National ACNC Status

Sub Branches may rely on National's ACNC charity registration when:

- Applying for State grants that allow auspicing
- Applying for Federal grants that allow auspicing
- Seeking support from councils, RSLs, and community groups
- Demonstrating charitable purpose
- Running welfare programs

Conditions

Sub Branches must:

- Notify National Executive before applying
- Provide draft applications and budgets
- Comply with National Executive financial controls
- Submit acquittal reports
- Ensure activities align with MBMMC charitable purpose

6. How Sub Branches May NOT Use National ACNC Status

Sub Branches may NOT use National's ACNC Status when:

- A grant requires the applicant itself to be ACNC-registered
- A grant prohibits auspicing
- The activity is not charitable
- The Sub Branch is non-compliant with reporting

7. How National Executive Would Use PBI/DGR Status (When Obtained)

If National Executive obtains PBI/DGR endorsement:

National Executive may:

- Issue tax-deductible receipts
- Accept tax-deductible donations
- Apply for PBI-restricted grants
- Operate a DGR Gift Fund
- Expand welfare operations nationally

National Executive must:

- Maintain a DGR Gift Fund
- Use DGR funds **only** for benevolent relief
- Keep separate financial records
- Report annually to the ATO

8. How Sub Branches Would Use National PBI/DGR Status

Sub Branches may:

- Refer donors to National Executive for tax-deductible donations
- Request National Executive to auspice DGR-restricted grants
- Receive internal transfers from National Executive's DGR Gift Fund (for benevolent relief only)
- Promote National Executive's DGR Status in fundraising (once approved)

Sub Branches may NOT:

- Issue tax-deductible receipts
- Use DGR funds for social or club activities
- Use DGR funds for merchandise, rides, or events
- Use DGR funds for administration

9. Examples in the MBMMC Veteran Environment

Example 1 — Crisis Support

A veteran loses housing unexpectedly.
MBMMC provides:

- Emergency accommodation
- Food
- Welfare support
- Referral to housing services

This is benevolent relief.

Example 2 — Mental Health Support via Structured Rides

A veteran experiencing PTSD attends a structured ride.
The ride provides:

- Peer support
- Welfare observation
- A safe, military-familiar environment
- Follow-up welfare checks

This is benevolent relief, not recreation.

Example 3 — Emergency Assistance

A veteran family cannot afford fuel or groceries.
MBMMC provides:

- Fuel vouchers
- Food hampers
- Welfare follow-up

This is benevolent relief.

Example 4 — Advocacy Support

A veteran needs help with a DVA claim.
MBMMC provides:

- Advocacy
- Documentation support
- Appointment assistance
- Follow-up welfare checks

This is benevolent relief.

10. Compliance Requirements

All Sub Branches must:

- Follow this policy
- Maintain welfare records
- Submit quarterly welfare reports
- Use National ACNC Status only when permitted
- Use DGR funds (when available) only for benevolent relief
- Maintain financial transparency

11. Review

This policy will be reviewed annually or when:

- ACNC legislation changes
- ATO DGR requirements change
- MBMMC obtains PBI/DGR Status

BACKGROUND BRIEF: HOW AND WHY MBMMC BECAME A CHARITY

1. Origins of the MBMMC — A Brotherhood With a Purpose

The Military Brotherhood Military Motorcycle Club (MBMMC) was formed by veterans for veterans. From its earliest days, the Club was never intended to be a recreational motorcycle group. It was built as a **support network**, a **peer-driven welfare structure**, and a **safe, familiar environment** for those who served.

The Club's culture, structure, and activities were deliberately shaped around:

- Military discipline
- Military values
- Military camaraderie
- Military-style organisation

This was not aesthetic — it was **therapeutic**.

Veterans returning to civilian life often lose:

- Structure
- Identity
- Purpose
- Belonging
- Peer support
- Familiar routines
-

MBMMC recreated these elements in a safe, community-based environment.

This is why the Club motto is:
"The Task Is Ours."

It reflects the belief that veterans must look after one another — and that the responsibility to support those who served rests with those who understand their journey.

2. Why MBMMC Naturally Evolved Into a Charity

From the beginning, MBMMC's activities were centred on **veteran welfare**, not motorcycling.

2.1 Welfare, Advocacy & Support

The Club quickly became known for:

- Helping veterans navigate DVA

- Providing pension and advocacy support
- Supporting families in hardship
- Conducting welfare checks
- Visiting isolated or elderly veterans
- Providing crisis assistance
- Delivering food, fuel, and emergency support

This was not “social activity.” This was **direct benevolent relief**.

2.2 Visit-a-Vet Program
The Club implemented a structured welfare initiative to:
- Visit older veterans
- Provide companionship
- Reduce isolation
- Support those in aged care or hospitals

This is a classic charitable activity recognised by the ACNC.

2.3 Veterans Assistance Centres (VACs) & Retreats
MBMMC established VACs and Veterans Retreats as:
- Drop-in centres
- Safe spaces
- Peer-support hubs
- Advocacy and welfare offices
- Mental-health stabilisation environments
-

These facilities are **charitable welfare infrastructure**, not clubhouses.

2.4 Structured Peer-Support Rides
MBMMC’s rides and Round Ups are not recreational events.

They are:
- Trauma-informed peer-support environments
- Mental-health stabilisation activities
- Safe, military-familiar spaces
- Opportunities for welfare officers to observe veterans in distress
-

This is why the ATO previously accepted an MBMMC Sub Branch as a **Public Benevolent Institution (PBI)**.

3. The Club’s Credo — A Statement of Benevolent Purpose

The Credo of the MBMMC states:
“Ours is a military brotherhood… each will stand by the other, offering support, camaraderie and respect for the individual.”

This is not recreational language. It is the language of **mutual aid**, **welfare**, and **relief of distress**.

The Credo aligns directly with the ACNC's charitable purpose of:
- Advancing social or public welfare
- Relieving distress
- Supporting vulnerable people
-

4. The MBMMC Mission — Welfare at the Core

The Club's mission has always been:
- To provide camaraderie and mateship
- To support veterans and their families
- To deliver welfare, pension, and advocacy services
- To partner with DVA, RSL, and ESOs
- To create safe, structured environments for veterans

This mission is inherently charitable.

It aligns with the ACNC's recognised charitable purposes:
- Advancing social or public welfare
- Advancing mental health
- Preventing or relieving the suffering of veterans
- Supporting vulnerable or disadvantaged people
-

5. National Executive Focus — Long-Term Welfare Sustainability

The Club's long-term strategic goals include:
- Ensuring MBMMC remains a sustainable welfare organisation
- Building partnerships with local organisations
- Recruiting sponsors to support welfare programs
- Growing VACs and Retreats
- Supporting younger veterans transitioning from service
-

These are the hallmarks of a **charity with a 30-year welfare vision**, not a motorcycle club.

6. Why MBMMC Sought ACNC Charity Registration

MBMMC pursued ACNC charity registration because:

6.1 The Club's activities already met the legal definition of a charity

The ACNC recognised that MBMMC:
- Relieves distress

- Supports vulnerable veterans
- Provides welfare and advocacy
- Operates VACs and welfare programs
- Conducts structured peer-support activities

6.2 Charity registration strengthens governance

It ensures:
- Transparency
- Accountability
- Responsible person oversight
- National Executive consistency

6.3 It enables Sub Branches to access grants and support

National ACNC Status allows:
- Auspicing
- Access to State and Federal grants
- Stronger relationships with councils and ESOs
-

6.4 It reflects the Club's true purpose

MBMMC is not a social motorcycle club. It is a **veteran welfare organisation that uses motorcycling as a delivery mechanism for benevolent relief**.

7. Why MBMMC May Pursue PBI/DGR Status in the Future

The Club's welfare activities align strongly with the ATO's definition of a **Public Benevolent Institution**, including:
- Crisis support
- Emergency relief
- Advocacy
- Mental-health stabilisation
- Outreach to isolated veterans
- Welfare checks
- VAC operations

If National Executive chooses to pursue PBI/DGR Status, it would:
- Allow tax-deductible donations
- Expand welfare funding
- Strengthen corporate sponsorship
- Increase national impact

This is a strategic National Executive decision.

8. Summary — Why MBMMC Is a Charity

MBMMC became a charity because:

- It was founded by veterans to support veterans
- Its activities are welfare-driven, not recreational
- Its structure mirrors military support systems
- Its rides and gatherings are therapeutic, not social
- It provides direct benevolent relief
- It operates VACs and welfare programs
- It partners with DVA, RSL, and ESOs
- It supports vulnerable veterans and families
- It has a long-term welfare mission
- Its Credo and motto reflect a charitable purpose

In short:

MBMMC is a charity because the Club has always been a welfare organisation first, and a motorcycle club second.

The Task Is Ours — and it always has been.

NATIONAL WELFARE REPORTING TEMPLATE

(To be submitted quarterly by all Sub Branches)

MBMMC — Quarterly Welfare Activity Report

Sub Branch: _____

State: _____

Reporting Period: _____

Submitted By: _____

Position: _____

Date Submitted: _____

1. Welfare Activity Summary (Quarter Overview)

Provide a high-level summary of welfare activity for the quarter.

- Total welfare cases opened: _____
- Total welfare cases closed: _____
- Total ongoing cases: _____
- Total welfare checks conducted: _____
- Total VAC/VSC engagements: _____
- Total crisis interventions: _____
- Total referrals to external ESOs/services: _____

2. Casework Summary (Non-Identifying)

Provide a brief description of each welfare case.
Do NOT include names, addresses, or identifying details.

Case ID	Veteran Category	Issue Identified	Support Provided	Outcome / Status	Referred To	Gift Fund Used (Y/N)
W-001	ADF Veteran	Mental health decline	Welfare check + referral	Ongoing	Open Arms	N
W-002	Widow of Veteran	Financial hardship	Fuel + food support	Resolved	N/A	Y
W-003	Veteran Family	Housing instability	Emergency accommodation	Ongoing	Housing Tasmania	Y

(Table expands as needed)

3. Crisis Interventions

List any urgent or high-risk situations managed this quarter.

Date	Nature of Crisis	Action Taken	Outcome	Follow-Up Required

4. VAC / VSC Activity

Summarise activity at your Veterans Assistance Centre or Support Centre.

- Number of veterans assisted: _____
- Number of advocacy appointments: _____
- Number of wellbeing sessions: _____
- Number of new welfare cases identified: _____
- Notes: _____

5. External Agency Collaboration

List any interactions with ESOs, government agencies, or community partners.

Organisation	Purpose of Engagement	Outcome

6. Gift Fund Requests (If Applicable)

Summarise any Gift Fund requests submitted this quarter.

Request ID	Amount Requested	Purpose	Approved (Y/N)	Amount Received	Notes
GF-001	$350	Fuel + food	Y	$350	Delivered

7. Welfare Risks or Concerns

Identify any emerging welfare trends, risks, or concerns.

8. Success Stories / Positive Outcomes

(Non-identifying, optional but encouraged)

9. Additional Notes or Requests for NEC Support

10. Certification

I certify that the information provided in this report is accurate and reflects the welfare activities undertaken by this Sub Branch for the reporting period.

Name: _____

Position: _____

Signature: _____

Date: _____

TAX TREATMENT FOR SUB BRANCHES UNDER ACNC, PBI AND DGR ENDORSEMENT

Important: ACNC charity registration is *not* a tax concession. It does not provide GST-free purchasing, tax-deductible receipts, or any exemption from stamp duty, registration fees, or insurance.

1. Purpose

This Annex provides clear guidance to all MBMMC Sub Branches on how tax obligations and concessions operate under:

- ACNC Charity Registration
- Public Benevolent Institution (PBI) endorsement
- Deductible Gift Recipient (DGR) endorsement

It explains:

- What tax concessions MBMMC does and does not receive
- When GST-free purchasing is permitted
- What remains fully taxable
- How Sub Branches must handle purchases and welfare expenditure
- How to avoid misrepresentation or misuse of charity or DGR Status

This Annex must be read in conjunction with SOP 29 and Annex D (National ACNC/DGR Policy Statement).

2. ACNC Charity Status – No Tax Exemptions

2.1 ACNC registration does not provide tax concessions

ACNC charity registration confirms charitable purpose and governance standards, but **does not** provide MBMMC with any tax exemptions beyond those available to ordinary Australian organisations.

Under ACNC charity status alone, MBMMC **does not receive**:

- GST exemptions
- Stamp duty exemptions
- Reduced registration or licensing fees
- Reduced insurance premiums
- Tax-free purchasing rights
- The ability to issue tax-deductible receipts

2.2 ATO Charity Concessions (National Only)

MBMMC National receives **standard ATO charity concessions**, including:

- **Income Tax Exemption**
- **GST Concessions** (charity GST rules, GST credits, non-commercial supply rules)
- **FBT Rebate** (up to the annual rebate cap)

These concessions **do not** provide GST-free purchasing rights and **do not** allow MBMMC to buy goods or services “tax-free”.

These concessions apply **only to National**, unless a Sub Branch is separately ACNC-registered and ATO-endorsed.

2.3 GST Credits (Input Tax Credits)

National may claim GST credits on GST-inclusive purchases used for charitable operations.

✓ Allowable Examples

- Printing welfare brochures
- Fuel for welfare transport
- Office supplies for charity administration
- Welfare program materials

✗ Not Allowable

- Purchases by Sub Branches that are **not GST-registered**
- Purchases for **RU events, rides, or social activities**
- Purchases for **merchandise or fundraising stock**
- Purchases providing **private benefit to members**

2.4 Non-Commercial Supply Rules (Charity GST Concessions)

Charities may treat some supplies as **GST-free** if they charge below market value.

✓ Allowable Examples

- Charging a token fee for a welfare workshop
- Providing low-cost counselling or support services
- Providing subsidised welfare materials

✗ Not Allowable

- Selling merchandise below cost
- Selling food or drinks at RU events
- Selling tickets to social events
- Any fundraising activity

Non-commercial supply rules **do not** apply to fundraising, merchandise, RU events, or member activities.

2.5 FBT Rebate

The FBT rebate reduces Fringe Benefits Tax payable on benefits provided to **employees**.

✓ Allowable Examples

- Small Christmas gift to an employee
- Reimbursement of work-related expenses
- Employee welfare-related support

✗ Not Allowable

- Benefits to volunteers (FBT does not apply)
- Benefits to members
- Benefits for social or club purposes
- Benefits for RU events or rides

2.6 Sub Branch implication

Sub Branches must not:

- Represent that ACNC Status provides tax-free purchasing
- Request GST-free supplies from suppliers
- Claim that donations are tax-deductible
- Suggest that ACNC Status reduces operational costs

ACNC Status is **not** a tax concession.

3. PBI Endorsement – Limited GST-Free Benevolent Relief

If MBMMC National obtains PBI endorsement, the organisation may receive **GST-free supplies**, but only under strict conditions.

3.1 GST-free supplies are limited and supplier-dependent

A supplier may elect to treat a supply as GST-free **only when**:

1. MBMMC is endorsed as a **Public Benevolent Institution**, and
2. The purchase is **directly and solely for benevolent relief**, and
3. The supplier agrees to treat the supply as GST-free under Division 38 of the GST Act.

This is not automatic and cannot be demanded.

3.2 Examples of GST-free benevolent-relief purchases

These items may be GST-free **only when used for welfare cases**:

- Emergency accommodation for a veteran in crisis
- Food hampers or essential groceries
- Fuel vouchers for emergency transport
- Crisis transport services

- Counselling or mental-health support
- Essential household items for veterans in hardship
- Emergency clothing, bedding, or hygiene supplies

3.3 Sub Branch implication

Sub Branches must:

- Request GST-free treatment only when the purchase is for benevolent relief
- Ensure the supplier voluntarily agrees
- Keep clear welfare records and receipts
- Never apply GST-free treatment to operational or club expenses

4. Purchases That Remain Fully Taxable (Even With PBI/DGR)

PBI/DGR endorsement does **not** exempt MBMMC from GST or other taxes on normal operational, administrative, or club-related purchases.

The following remain fully taxable:

- Motorcycles, trailers, tools, equipment
- Clubhouse improvements or maintenance
- Merchandise or fundraising stock
- RU event costs, rides, social activities
- Office equipment, admin supplies, utilities
- Fuel for club operations
- Insurance, registrations, permits
- Any activity providing private benefit to members

These activities are **not benevolent relief** and cannot be funded or represented as charitable under PBI/DGR rules.

5. DGR Endorsement – Tax Benefits for Donors, Not MBMMC

DGR endorsement allows MBMMC National to:

- Issue tax-deductible receipts
- Receive tax-deductible donations
- Access DGR-restricted grants
- However, DGR endorsement does not:
- Provide tax-free purchasing rights
- Reduce GST obligations
- Reduce operational costs
- Exempt MBMMC from stamp duty, rego, or insurance

DGR benefits apply to **donors**, not to the organisation’s purchasing.

6. Sub Branch Responsibilities

Sub Branches must:

- Understand that ACNC Status alone provides no tax concessions
- Use GST-free purchasing only for benevolent relief and only when permitted
- Ensure all other purchases are treated as fully taxable
- Maintain accurate welfare and financial records
- Avoid misrepresenting tax benefits to donors, suppliers, or members
- Seek National Executive guidance when unsure

Misuse of tax concessions may result in NEC intervention or regulatory reporting.

7. Summary Table

Status	Tax Benefits	Notes
ACNC Charity	None	No GST exemptions, no tax-free purchasing, no deductible receipts
PBI	Limited GST-free benevolent-relief purchases	Supplier must agree; only for welfare cases
DGR	Donors receive tax deductions	No purchasing benefits for MBMMC

8. Key Takeaways

- ACNC Status = no tax concessions
- PBI Status = limited GST-free benevolent relief only
- DGR Status = tax benefits for donors, not MBMMC
- Most club, operational, and event purchases remain fully taxable
- Welfare purchases must be clearly documented and compliant

FAQ: ACNC, PBI, DGR, TAX, PURCHASES & DONATIONS

1. ACNC Charity Status

Q1. Does ACNC charity registration give the Sub Branch tax-free purchasing rights?

No.
ACNC registration provides **no tax exemptions**.
It does **not** reduce GST, stamp duty, rego, insurance, or any other tax.

Q2. What does ACNC charity status actually give us?

- Recognition as a charity
- Access to many grants
- Ability to receive donations
- Ability to issue standard (non-deductible) receipts
- Increased credibility with councils, ESOs, and sponsors

Q3. Can we tell donors their donation is tax-deductible?

No.
Only DGR-endorsed charities can issue tax-deductible receipts.

Q4. Can a Sub Branch call itself a "charity"?

Only if the Sub Branch itself is ACNC-registered.
Otherwise, it may only say:

"We are part of MBMMC, which is a registered charity."

Q5. Does ACNC charity status give us GST concessions?

No. Only MBMMC National receives standard ATO charity GST concessions, and these do **not** provide GST-free purchasing rights. Sub Branches must treat all purchases as fully taxable unless separately ACNC-registered and GST-registered.

Q6. Can a Sub Branch claim GST credits?

Only if the Sub Branch is: • ACNC-registered **and** • GST-registered with the ATO

Most Sub Branches are not GST-registered, so they cannot claim GST credits.

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2. PBI Endorsement

Q7. What is a Public Benevolent Institution (PBI)?

A PBI is a charity whose **dominant purpose** is the **direct relief of distress**, including:

- Crisis support
- Emergency assistance
- Mental-health support
- Advocacy
- Outreach to vulnerable veterans

Q8. Does PBI Status give us tax-free purchases?

Only in very limited circumstances.
PBIs may receive **GST-free supplies**, but only when:

1. The purchase is **directly for benevolent relief**, and
2. The supplier agrees to treat it as GST-free.

This is not automatic.

Q9. What can be GST-free under PBI?

Only welfare-related items such as:

- Emergency accommodation
- Food hampers

- Fuel vouchers for crisis transport
- Counselling or mental-health support
- Essential household items for veterans in hardship

Q10. What cannot be GST-free?

Everything else, including:

- Motorcycles, trailers, tools
- Clubhouse improvements
- Merchandise
- RU event costs
- Office equipment
- Fuel for club operations
- Admin supplies
- Social activities

Q11. If National becomes a PBI, can Sub Branches buy GST-free items?

Only when:

1. The purchase is directly for benevolent relief, and
2. The supplier voluntarily agrees to treat the supply as GST-free

This applies **only** to welfare purchases — not to club, operational, or event expenses.

Q12. Can Sub Branches ask suppliers for GST-free treatment?

Yes — but only for benevolent-relief purchases, and only after National obtains PBI endorsement. Suppliers must **voluntarily** agree. Sub Branches must never demand GST-free treatment.

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3. DGR Endorsement

Q13. What does DGR endorsement allow?

- National can issue tax-deductible receipts

- National can receive tax-deductible donations
- National can apply for DGR-restricted grants
- National can operate a DGR Gift Fund

Q14. Does DGR endorsement reduce our taxes?

No.
DGR benefits donors, not the organisation.

Q15. Can Sub Branches issue tax-deductible receipts?

No.
Only National can issue them, and only after DGR endorsement is obtained.

Q16. Can Sub Branches use DGR funds?

Yes — but **only** for benevolent relief, and only after National approves the request.

Q17. Does DGR endorsement give us GST-free or tax-free purchasing?

No. DGR endorsement benefits **donors**, not MBMMC. It does not reduce GST, stamp duty, registration fees, or insurance.

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4. Purchases & Expenditure

Q18. What can Sub Branches buy using ACNC Status?

Only items directly related to **charitable activities**, such as:

- Welfare supplies
- Crisis support items
- Advocacy materials
- VAC/VSC equipment
- Emergency assistance items

Q19. What cannot be purchased using ACNC or DGR/PBI Status?

- Social rides
- RU events

- BBQs and member gatherings
- Merchandise
- Clubhouse improvements
- Member-only activities
- Recreational activities
- Any private benefit to members

Q20. Can we buy a motorcycle, trailer, or tools tax-free?

No.
These remain fully taxable even with PBI/DGR Status.

Q21. Can we buy welfare items GST-free now?

No. GST-free benevolent-relief purchasing is only available to PBIs. MBMMC is **not** a PBI at this time.

Q22. What is the difference between GST-free and claiming GST credits?

• **GST-free** = no GST charged by the supplier (PBI-only, welfare-only) • **GST credits** = claiming back GST already paid (National only, or GST-registered Sub Branches)

Sub Branches must not confuse the two.

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5. Donations & Sponsorship

Q23. Can Sub Branches accept donations?

Yes — but they must issue **standard receipts**, not tax-deductible ones.

Q24. What if a donor wants a tax-deductible receipt?

Refer them to National Executive.
National can only issue a deductible receipt **after** DGR endorsement is obtained.

Q25. Can Sub Branches advertise "tax-deductible donations"?

No.
This is prohibited unless the Sub Branch itself is DGR-endorsed (which it is not).

Q26. Can sponsorships be tax-deductible for businesses?

Yes — but **as a business expense**, not because MBMMC is a DGR.
This is already explained in Annex A.

Q27. Can we tell donors that their donation helps us get tax benefits?

No. Donations do not reduce MBMMC's tax obligations. Only DGR endorsement allows donors to claim a tax deduction — and MBMMC is not DGR-endorsed.

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6. Grants & Funding

Q28. Can Sub Branches use National ACNC Status for grants?

Yes — but only with **written approval** from National Executive.

Q29. Can Sub Branches apply for grants requiring DGR Status?

No.
Only National can apply, and only after DGR endorsement is obtained.

Q30. Can Sub Branches apply for grants requiring ACNC registration?

Only if the Sub Branch itself is ACNC-registered.

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7. Welfare & Benevolent Relief

Q31. When can we provide assistance to members?

Only when they are:

- Veterans
- In need
- Experiencing hardship, distress, or disadvantage

Assistance is provided because they are **veterans in need**, not because they are members.

Q32. What records must we keep?

- Welfare case notes
- Receipts
- Evidence of expenditure
- Quarterly welfare reports

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8. Misrepresentation & Compliance

Q33. What statements must Sub Branches avoid?

- “We are a DGR.”
- “We can issue tax-deductible receipts.”
- “We are a registered charity” (unless ACNC-registered).
- “We can buy things tax-free.”
- “Donations to us are tax-deductible.”
- Q26. What happens if a Sub Branch misuses ACNC or DGR Status?
- NEC may:
- Suspend access to National ACNC Status
- Intervene in Sub Branch operations
- Report to regulators if required
- Only if the Sub Branch itself is ACNC-registered.

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7. Public Representations, Fundraising Language & Use of Non-Charitable Funds

Q34. Can our Sub Branch call itself a “not-for-profit”?

Yes. All incorporated MBMMC Sub Branches are not-for-profit organisations and may use that term when promoting non-charitable fundraising activities.

Q35. Can we call ourselves a "charity"?

Only if the Sub Branch itself is ACNC-registered. Otherwise, you must not use the term "charity" or imply ACNC registration.

Q36. Can we say donations are tax-deductible?

Donations are only tax-deductible if the entity receiving the donation holds current DGR endorsement from the ATO.

- Sub Branches **with their own DGR endorsement** may issue tax-deductible receipts for donations made directly to them.
- If National MBMMC obtains DGR endorsement, National may issue tax-deductible receipts for donations made to the National DGR Gift Fund.
- Sub Branches **without** DGR endorsement must not state or imply that donations are tax-deductible.

.***Q37. Can we use non-charitable funds for member-benefit or social activities?***

Yes. Funds raised without using ACNC Status (e.g., RU events, BBQs, raffles, merchandise) may be used for member-benefit, social, or club-related purposes – ensuring the correct use of Sub Branch Buiding funds is maintained (SOP 4 para 4).

Q38. What wording should we use for RU events or social fundraising?

You may say the event supports a "not-for-profit veterans motorcycle club." You must not describe it as a "charity fundraiser."

Q39. Can we mix charitable and non-charitable funds?

No. Charitable funds must remain separate and used only for benevolent-relief purposes. However non-charitable funds may be donated for charity purposes.

Q40. Can our Sub Branch donate non-charitable (NFP) funds into the National (or their own endorsed) DGR Gift Fund?

Yes. Sub Branches may voluntarily transfer non-charitable funds (such as proceeds from RU events, BBQs, raffles, merchandise, or social fundraising) into the National DGR Gift Fund.

Note: Once transferred, these funds become charitable funds and may only be used for benevolent-relief purposes. These funds can *never* be drawn back out for member-benefit or club-benefit purposes.

Q41. What happens to Sub Branch funds (both DGR and NFP) if a Sub Branch closes or amalgamates with another Sub Branch?

A: The treatment of funds depends on the type of funds held:

1. DGR Gift Fund Money (charitable, restricted funds)

- DGR funds **cannot** be transferred to another Sub Branch's general account.
- DGR funds **cannot** be used for member-benefit or club activities.
- DGR funds **must** remain within an endorsed DGR Gift Fund raised for the same purpose as MBMMC (benevolent relief for vunerable veterans and their families).
- If the Sub Branch closes or amalgamates, **all DGR funds are returned to National** and remain in the Gift Fund for benevolent-relief purposes.

This is required under ATO Gift Fund rules — DGR money must stay in the Gift Fund and cannot be distributed to non-DGR entities.

2. Sub Branch NFP Funds (non-charitable, unrestricted funds)

These are funds raised through:

- RU events
- BBQs
- raffles
- merchandise
- social fundraising
- member-benefit activities

For NFP funds:

- If a Sub Branch **amalgamates**, its NFP funds transfer to the **new or receiving Sub Branch**.

- If a Sub Branch **closes permanently**, NFP funds must be transferred to **another MBMMC Sub Branch in the same State/Territory**, or as directed by the State President and National Executive.
- NFP funds **cannot** be transferred to individuals or used for private benefit.

This aligns with state Associations Incorporation Acts, which require remaining assets to be transferred to another not-for-profit with similar purposes.

3. Mixed Funds (both DGR and NFP)

If a Sub Branch holds both:

- DGR funds go **back to National's Gift Fund**
- NFP funds go **to the receiving Sub Branch** (or another Sub Branch if closing)

They must **never** be mixed or transferred together.

4. Why this rule exists

- DGR funds are legally restricted and must remain in the Gift Fund.
- NFP funds belong to the Sub Branch as an incorporated association and must be transferred to another NFP with similar purposes.
- This ensures compliance with ACNC, ATO, and state incorporation laws.