

Myths about Charitable Trusts

Top tips

Charities can make profits from commercial activities, provided that the profits are used to further its charitable purposes

Aboriginal charitable trusts can now restrict their benefits to a particular traditional owner group

Even though the law has developed, trustees still need to follow the trust deed. It is worth reviewing and updating the trust deed to catch up with the law

Relieving Indigenous disadvantage is now a recognised charitable purpose. This means that a charitable trust seeking to benefit Indigenous beneficiaries does not need to also establish the persons are in poverty

Charitable trusts can support home ownership - however, the law is unclear regarding the level of support and the best method of providing the support

Native title benefits can be NANE income and tax exempt, even if paid to an eligible direct benefits trust (or other non-charitable entity)

Direct benefits trusts may need updating to take advantage of NANE tax measures

For more information contact:

Alana Schwartz (aschwartz@jacmac.com.au or 08 9426 6871)

Emma Chinnery (echinnery@jacmac.com.au or 08 9426 6739)