An examination of tax-deductible donations made by Australian taxpayers in 2020–21

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The Australian Centre for Philanthropy and Nonprofit Studies
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1.0 EXECUTIVE SUMMARY

1.1. Overview of the Research

This study analyses published Australian Taxation Office (ATO) data and represents the extent and characterisitcs of tax-deductible donations made and claimed by Australian taxpayers to Deductible Gift Recipients (DGRs) at Item D9 Gifts or Donations in their individual income tax returns for the 2020–21 income year.

Analysis of the ATO data showed that the total amount donated and claimed as tax-deductible donations in 2020–21 was $4.39 billion (compared to $3.85 billion for the previous income year). This constitutes a increase of 14.19 per cent or $545.72 million. The average tax-deductible donation made to DGRs and claimed by Australian taxpayers in 2020–21 was $1,047.27 (compared to $886.75 in the previous income year). This is an increase of 18.10 per cent.

Not all charitable organisations qualify for DGR status e.g., many religious or educational institutions, and donations to these organisations are not deductible gifts. The data does not include corporate and trust taxpayers. Expenses such as raffles, sponsorships, fundraising purchases (e.g., sweets, tickets to special events) or volunteering are generally not deductible as ‘gifts’.

1.2. The Research in Context

For the first time in many years, the financial year to 30 June 2021 saw no declarations by the Australian Taxation Office of major disasters after the prior years' bushfires and pandemic declarations. However, there was widespread flooding in New South Wales and Southern Queensland (March 2021) and Cyclone Seroja impacted Western Australia (April 2021) (ATO, 2023b).

In March 2020, the Federal Government responded to the global COVID-19 pandemic by closing the borders to people seeking to enter Australia and implementing a number of restrictions to limit contact between people domestically. Social distancing practices were introduced along with the closure of non-essential businesses. The Reserve Bank of Australia (2020) cut interest rates, and unemployment grew to 5.2 per cent in March 2020 and again to 7.4 per cent in June (Australian Bureau of Statistics, 2022).

An economic recovery emerged in the second half of 2020, despite further lockdowns in some Australian states, with GDP rebounding by 3.3 per cent in the September quarter, although it remained 3.8 per cent lower over the year. An important contributing factor was the 7.9 per cent increase in household consumption, although this heavily reflected the easing of COVID-19 restrictions. Another sign of the recovery was that employment in October was 3.4 per cent higher than in June 2020. The Australia inflation rate for 2021 was 2.86%, a 2.02% increase from 2020.

The CAF 2022 World Giving Index found that the pandemic and its economic impact did not seem to dampen giving, with levels of both giving and volunteering increasing substantially (Charities Aid Foundation, 2022). Australia was ranked in the top five most generous countries.

In the UK, the CAF UK Giving Report 2021 found that the total amount donated during 2020 was £11.3 billion, a substantial increase from the £10.6 billion that was given in 2019. There was a decline in overall donor numbers, with fewer people donating but making larger donations on average. For 2020 as a whole, the average (mean) amount gifted in any given month was much larger than it had been in 2019, increasing from £46 to £54 in 2020 (Charities Aid Foundation, 2021).

In Canada, tax filers in 2021 reported giving to charitable organizations totalling more than $11.8 billion (+11.5%) and their median annual charitable donations increased to $360 (+5.9%). Meanwhile, the number of tax filers claiming a tax credit for charitable donations continued to decrease, a with fewer than 5 million (4,967,050; -3.2%) tax filers that made donations (Statistics Canada, 2021).

In the USA, the Giving USA 2022 Report noted that total charitable giving in 2021 grew 4.0% over the revised total of $466.23 billion contributed in 2020 (Lilly Family School of Philanthropy, 2022). Giving by individuals was estimated at $326.87 billion, rising 4.9% over the previous year.

In Australia, the McNair Yellow Squares Survey of Public Awareness and Support of Leading Charities reported that average donations rose from $523 to $603 in 2021 (Kirson, S, 2021).

The JB Were NAB Charitable Giving Index (January 2022) noted that their data from National Australia Bank transactions to July 2021 confirmed that a gift recovery was in place but had not yet returned to pre-pandemic levels. There was a donation fall of 3% in the financial year 2020 and 4% in 2021, against a pre-pandemic annual increase of 5% (McLeod & McDonald, 2022).

1.3. Summary of Key Findings

The following is a summary of the ATO Taxation data from 2020–21 that are further analysed in this paper.

General Information

- The total amount donated and claimed by individuals as tax-deductible donations in 2020–21 was $4.39 billion (compared to $3.85 billion for the previous income year). This constitutes an increase of $545.72 million (or 14.19 per cent) from the previous income year.
- In 2020–21, individual taxpayers claimed $42.42 billion in total personal tax deductions. Of this amount, 10.35 per cent of deductions claimed were tax-deductible gifts, compared to 54.07 per cent for work-related expenses and 5.44 per cent for the cost of managing tax affairs.
- The average tax-deductible donation made to DGRs and claimed by Australian taxpayers in 2020–21 was $1,047.27 (compared to $886.75 in the previous income year). This is an increase of 18.10 per cent. The median tax-deductible donation has remained at $130 in 2020–21.[1]
- In 2020–21, 4.19 million Australian taxpayers (or 27.71 per cent of the Australian taxpaying population) made and claimed tax-deductible donations. This has decreased from the previous year when 29 per cent of taxpayers made and claimed a gift.
- On average, those individual taxpayers who made tax-deductible donations to DGRs donated 0.42 per cent of their taxable income in 2020–21. This is a increase from 0.40 per cent recorded in 2019–20.

Gender

- In 2020–21, 2 million male taxpayers (or 26.08 per cent of male taxpayers) made and claimed tax-deductible donations to DGRs totalling $2.69 billion. While the total amount has increased by 23.31 per cent (from $2.18 billion), the percentage claiming a donation dropped 4.58 per cent (from 27.33 per cent in 2019–20).
- 2.19 million female taxpayers (or 29.39 per cent of female taxpayers) made and claimed tax-deductible donations to DGRs totalling $1.70 billion in 2020–21. The total amount donated increased slightly (by 2.26 per cent) from the previous year (from

[1] Average refers to the mean and is obtained by summing all data points and dividing by the number of data points. The median number is the middle number when all values are aligned in numerical order.

$1.67 billion), while the percentage donating has dropped by 4.36 per cent from 30.73 per cent in 2019–20.

- The average tax-deductible donation made to DGRs and claimed by male taxpayers increased by 28.33 per cent to $1,343.48 in 2020–21 (compared with $1,046.86 in 2019–20). The average tax-deductible donation for female taxpayers increased by 5.16 per cent to $777.06 (compared to $738.93 in 2019–20).
- On average, male taxpayers who made tax-deductible donations to DGRs donated 0.44 per cent of their taxable income (0.38 per cent in 2019–20), compared to 0.40 per cent of their taxable income for female taxpayers (0.43 per cent in 2019–20).

State of Residence

- A total of 1.32 million taxpayers in **New South Wales** claimed tax-deductible donations to DGRs totalling $1.39 billion. This represented 31.53 per cent of the total amount donated nationally. The next largest donor state was **Victoria** whose taxpayers claimed tax-deductible donations to DGRs totalling $1.38 billion, representing 31.37 per cent of the national total. **Western Australian** taxpayers claimed tax-deductible donations totalling $748 million.
- **Western Australian** taxpayers claimed the largest average tax-deductible donation of $1,729.42 compared to the national average of $1,047.27. Taxpayers in **Victoria** made an average gift of $1,180.41, followed by taxpayers in the **Australian Capital Territory** with an average gift of $1,065.18.
- Those in the **Australian Capital Territory** had the largest median donation of $240, while those in **New South Wales** had a median donation of $150. The median donation for all other states and territories was $120, except for the **Northern Territory** ($110), **Queensland** ($106) and **Tasmania** ($100).
- Taxpayers in **Western Australia** donated an average of 0.63 per cent of their taxable income, a decrease from 0.71 per cent in 2019–20. This was followed by taxpayers in **New South Wales** (0.53 per cent) and the **Australian Capital Territory** (0.46 per cent).

Tax-Deductible Gifts by Donor's Residential Postcode

Total amount donated

- The residential postcode with the highest total of tax-deductible gifts for 2020–21 was WA 6011 (Cottesloe, Peppermint Grove) with $499.63 million claimed in total, accounting for 66.84 per cent of the total donations in Western Australia. This is a decrease of 5.67 per cent from 2019–20 when the postcode claimed
- $529 million in total gifts.

- The next highest postcode was in in Victoria, where VIC 3068 (Clifton Hill, Fitzroy North) claimed donations totalling $276.73 million.

Average donation

- Not surprisingly, the highest average gift claimed in 2020–21 was also in the Western Australian postcode WA 6011 (Cottesloe, Peppermint Grove) where gifting taxpayers claimed on average $257,676.13, although this was down slightly (3.24 per cent) from $266,298.87 in 2019–20.
- The second highest average gift came from taxpayers in VIC 3068 (Clifton Hill, Fitzroy North) who claimed $58,038.13 on average (a huge increase from
- $1,189.93 in 2019–20).

Percentage of taxpayers claiming a donation

- For the first time in four years, there was a change in the postcode with the highest percentage of taxpayers claiming a gift deduction. In North Beach (WA 6920)
- 77.72 per cent of taxpayers claimed a gift taking over from Joondalup DC (WA 6919) which had 38.46 per cent of taxpayers claiming a gift.
- In New South Wales, 44.70 per cent taxpayers in Kapooka (WA 2661) claimed a gift. In South Australia, 44.12 per cent of taxpayers in SA 5710 (Stirling North) claimed a deduction for donations.

A database of all deductible gifts claimed by individuals between 2005 and 2021, fully searchable by postcode, can be found on the ACPNS website at https://research.qut.edu.au/australian-centre-for-philanthropy-and-nonprofit-studies/resources/giving-statistics/.

Income Bands

- In 2020–21**,** the average tax-deductible gift for all taxpayers was $1,047.27, compared to $886.75 in the previous year.
- The average taxable income in 2020–21 was $68,289. The average tax-deductible donation made and claimed by taxpayers in the $60,001–$70,000 income band was $430.96, being 0.27 per cent of their taxable income with 33.93 per cent of taxpayers in this band claiming a tax-deductible gift.
- The median taxable income in 2020–21 was $50,980. Some 30.73 per cent of taxpayers in the $50,001–$55,000 income band claimed on average $390.16 in tax-deductible gifts, representing 0.23 per cent of their taxable income.
- The average tax-deductible donation claimed by the 9,076 donating taxpayers with a taxable income over $1 million in the 2020–21 year was $88,256.35. This has decreased by 26.45 per cent from $119,995.31 in 2019–20. Over the past ten years,

this figure has fluctuated from a low of $40,606 in 2010–11 to a high of $138,611 in 2019–20.

- In 2020–21, taxpayers earning over $1 million donated 1.67 per cent of their taxable income to DGRs, compared to the national average of 0.42 per cent. Their combined gifts represented 18.24 per cent of the total amount donated and claimed in 2020–21.

Tax-Deductible Gifts by Occupation

- In 2020–21, the highest average gift deductions ($12.998.70) were claimed by **Financial Investment Advisors or Managers**. This has increased significantly from $1,470.01 in 2019–20. **Chief Executives or Managing Directors**, who are typically the highest ranked occupation, gifted $9,215.95 on average, an increase of 43.31 per cent from $6,430.85 the previous year.
- The occupation with the highest total amount claimed as gift deductions was, once again, **Chief Executives or Managing Directors** ($484 million). This is an increase of 42.71 per cent from $339 million in 2019–20.
- The occupation with the highest total deductible gifts as a percentage of taxable income was **Financial Investment Advisor or Manager** (3.76 per cent), followed by **Religious Leader** (1.88 per cent), and **Chief Executive or Managing Director** (1.22 per cent).
- For the eleventh year in a row, the occupation category with the highest percentage of donating taxpayers was **Police** with 72.02 per cent of individuals in this occupation claiming a tax-deductible donation. This was followed by **School Principals** (56.98 per cent).

A database of all deductible gifts claimed by individuals between 2006 and 2021, fully searchable by occupation, can be found on the ACPNS website at https://research.qut.edu.au/australian-centre-for-philanthropy-and-nonprofit-studies/resources/giving-statistics/.

[2] This should not be confused with sole trader occupations which captures taxpayers who trade in a business under their own name (i.e., no corporate body or trust involved).

2.0 WHAT IS A TAX-DEDUCTIBLE GIFT?

According to Division 30 of the *Income Tax Assessment Act 1997* (Cth) (ITAA 1997), taxpayers are entitled to claim a tax deduction for gifts (i.e., donations) made during the income year to endorsed DGRs. There are two elements which must be present in order to claim a tax deduction:

a) it must be a gift, and
b) it must be made to a DGR.

The term *"gift"* is not defined in either the ITAA 1936 or 1997. As a consequence, it takes on its ordinary meaning. On 20 July 2005, the ATO released *Taxation Ruling* TR 2005/13 'Tax-Deductible Gifts – What is a gift?' TR 2005/13 contains 230 paragraphs, 81 worked examples and spans 47 pages.

For a gift to be a tax-deductible donation and claimed as an income tax deduction in personal income tax returns, the gift must usually have the following characteristics:

- there is a transfer of the beneficial interest in property
- the transfer is made voluntarily
- the transfer arises by way of benefaction, and
- no material benefit or advantage is received by the giver by way of return.

Generally, for a payment to be considered a gift it must be unfettered, that is, there must be no obligation to do anything in recognition of the gift and no expectation on the part of the donor to receive anything in return for the donation (i.e., no strings attached). Where a payment constitutes a bona fide gift, then the donor is entitled to claim the amount given as an income tax deduction under Division 30.

In contrast, the following are ***not*** usually considered gifts:

- purchase of raffle or art union tickets
- purchase of an item such as a mug, key ring or pen which is not merely a token that promotes the DGR or its activities
- the cost of attending a fundraising dinner, even if the cost exceeds the value of the dinner
- payments to school building funds when offered as an alternative to an increase in school fees
- membership fees (except to political parties), and
- payments where the person has an understanding with the recipient that the payment will be used to provide a benefit to the donor.

However, since 1 July 2004, the government has allowed certain contributions to be deductible, which do not fall under the strict definition of a gift. A deduction is now allowed where the donor receives a benefit in connection with the contribution, provided that certain conditions are met and the benefit does not exceed a specified limit. Broadly, this allows deductions for two separate types of contributions at a DGR fundraising event in Australia, namely:

- contributions made in return for a right to participate in a fundraising event (e.g., the purchase of a ticket to attend a charity ball, fête, dinner, performance or similar charitable fundraising event), and
- contributions made for successful bidding at a charity auction that is conducted by a DGR.

2.1. Categories of Deductible Gift Recipients

Since 1 July 2000, pursuant to Sub-Division 30-BA of the ITAA 1997, the Commissioner of Taxation must endorse both Income Tax Exempt Charities (ITECs) and DGRs. If an organisation is not endorsed by the Commissioner, donors will be unable to claim income tax deductions for gifts made.

Sub-Division 30B of the ITAA 1997 outlines the 12 general categories of entities and funds that have been endorsed by the Commissioner of Taxation as DGRs. The general categories are displayed in Table 1 (Australian Taxation Office, 2021).

Table 1: General categories of DGR endorsed entities and funds

HEALTH	
▪ Public hospital ▪ Hospital carried on by a society or association ▪ Public fund for hospitals ▪ Public authority for research ▪ Public institution for research	▪ Registered health promotion charity ▪ Public ambulance service ▪ Public fund for public ambulance services ▪ A community shed
EDUCATION	
▪ Public university ▪ Public fund for the establishment of a public university ▪ Higher education institution ▪ Residential educational institution ▪ Commonwealth residential educational institution ▪ Affiliated residential educational institution ▪ TAFE ▪ Public fund for religious instruction in government schools	▪ Roman Catholic public fund for religious instruction in government schools ▪ Public fund for ethics education in government schools ▪ School building fund ▪ Public fund for rural school hostel building ▪ Government special school ▪ Scholarship fund ▪ Life education company
RESEARCH	
▪ Approved research institute	
WELFARE AND RIGHTS	
▪ Registered public benevolent institution ▪ Public fund for public benevolent institutions ▪ Public fund for public benevolent institutions ▪ Public fund for persons in necessitous circumstances	▪ Public fund on the Register of Harm Prevention Charities ▪ Australian disaster relief fund ▪ Animal welfare charity ▪ Charitable services institution
DEFENCE	
▪ The Commonwealth or a state ▪ Public institution or public fund for members of the armed forces	▪ War memorial repair fund
ENVIRONMENT	
▪ Public fund on the Register of Environmental Organisations	
THE FAMILY	
▪ Public fund for an approved marriage guidance organisation	▪ Public fund for provision of family counselling or family dispute resolution
INTERNATIONAL AFFAIRS	
▪ Overseas aid fund	▪ Developed country disaster relief fund
SPORTS AND RECREATION	

▪ Guides branch	▪ Scout branch
CULTURAL ORGANISATIONS	
▪ Public fund on the Register of Cultural Organisations ▪ Public library ▪ Public museum	▪ Public art gallery ▪ Institution consisting of a public library, public museum and public art gallery or of any two of them
ANCILLARY FUNDS	
▪ Public Ancillary Fund	▪ Private Ancillary Fund
FIRE AND EMERGENCY SERVICES	
▪ Fire and emergency services coordinating body ▪ Fire and emergency services coordinating body fund	▪ Fire and emergency services fund

In addition to the above general categories of funds, authorities, institutions and organisations, gifts of $2 or more made to recipients named in Sections 30–15 to 30–100 of the ITAA 1997 are also deductible to the donor. This is categorised as 'legislated'.

The listed DGR categories above are only general categories, not the full list of DGR organisations. Donors can check the status of a DGR by searching the Australian Business Register (2022). As at 8 February 2023, there were 59,967 charities registered with the Australian Charities and Not-for-Profits Commission (Australian Charities and Not-for-profits Commission, 2023). However, only 32,641 organisations and funds had active DGR status as at 5 October 2022.[3]

Table 2 breaks down the number of DGRs by their category as at 5 October 2022. This list includes both DGR endorsed entities and DGR funds, authorities and institutions.

Only certain types of gifts are specifically made tax-deductible under Division 30. These include:

- gifts of $2 or more (money)
- property which has been purchased by the donor during the 12 months before the gift was made
- property valued by the Commissioner of Taxation as over $5,000
- trading stock disposed of outside the ordinary course of business
- cultural gifts, being property made under the Cultural Gifts Program
- cultural bequests, being property made under the Cultural Bequests Program, and
- heritage gifts.

[3] Source: Table 3: Charities. Deductible Gift Recipients, by type, as at 5 October 2022, Australian Taxation Office (2023) Taxation Statistics 2020–21.

In order to claim the amount of their tax-deductible donation to a DGR, donors are required to keep records of their gifts. DGRs are not required by income tax law to issue receipts for deductible gifts, but most do, as the donor requires a receipt to substantiate the claim made.

Table 2: Number of DGRs by category of recipient, as at 5 October 2022

Type of DGR	Number of DGRs
Public benevolent institutions	11,253
School or college building fund	5,205
Health Promotion Charity	2,243
Private Ancillary Funds	2,102
Public fund on the register of cultural organisations	1,939
Public library	1,846
Public Ancillary Funds	1,422
Public fund on the register of environmental organisations	733
Scholarship fund	724
Public museum	644
Animal welfare charity	600
Public fund for persons in necessitous circumstances	597
A public fund for providing volunteer based emergency services	408
Public fund for religious instruction in government schools	308
Public hospital	299
Overseas aid fund	260
Government Special School	239
Specifically Listed in the ITAA	218
Public art gallery	206
Approved research institute	178
Public fund on the register of harm prevention charities	139
Institution consisting of a public library, public museum and public art gallery or of any two of these bodies	126
TAFE	80
A public fund established and maintained for the purpose of providing money for the provision of public ambulance services	79
Public institution for research	76
Charitable services institution	61
Non-profit hospital	59
Residential educational institution	58
Public university	54
Public fund for public benevolent institutions	53
Other organisations[4]	432
Total	**32,641**

[4] Other organisations includes DGR types other than those listed.

2.2. Philanthropic and Giving Taxation Initiatives since 1999

On 26 March 1999, the Australian Prime Minister issued a press release announcing various income tax measures to encourage greater corporate and personal philanthropy. These new measures included:

1. Private Ancillary Funds (PAFs) (formerly Prescribed Private Funds),
2. gifts of property over $5,000,
3. five-year averaging of donations,
4. deductions for workplace giving,
5. conservation covenants,
6. the Cultural Gifts Program - capital gains tax exemption,
7. deductions for fundraising dinners and similar events, and
8. Health Promotion Charities.

Each of these taxation incentives is discussed below in more detail.

Further incentives have been suggested and developed by the Prime Minister's Community Business Partnership (2009) since 1999. These incentives, which involve the taxation regime, have been rolled out gradually since 1999 and include:

9. donations to political parties and other candidates,
10. five new general categories of deductible gift recipients since 2006,
11. educational scholarships,
12. share gifts,
13. amendments to Public Ancillary Funds,
14. new DGR class announced, and
15. reforming the administration of tax-deductible gift recipients.

Private Ancillary Funds (PAFs) (formerly Prescribed Private Funds (PPFs))

A PAF is a fund established by Will or Trust instrument with:

- DGR status (i.e., gifts to it are deductible to the donor),
- normally, income tax exempt status (i.e., its income is exempt from income tax), and
- the ability to attract a variety of other Commonwealth, State and Territory tax and duty concessions, known as a Tax Concession Charity, or TCC.

PAFs cannot accept gifts from the public and a PAF can be controlled by an individual, family or corporate group. This was a removal of a major barrier to philanthropy, as it was previously difficult to satisfy the test of "public donations" before a fund would be endorsed as a DGR.

On 1 October 2009, existing PPFs became Private Ancillary Funds (PAFs), and they were taken to be endorsed as DGRs. The Minister (Treasurer) was given the power to make guidelines about the establishment and maintenance of PAFs. Each trustee of an existing PPF was taken to have agreed to comply with PAF Guidelines. Only a constitutional corporation can be a trustee of a PAF.

The administration of PAFs was vested fully in the Commissioner of Taxation, subject to some transitional provisions. The Commissioner has the power to:

- endorse PAFs as DGRs and tax concession charities or income tax exempt funds,
- revoke endorsement,
- impose administrative penalties on corporate trustees, and their directors, and
- suspend, remove and replace trustees.

The legislative changes are contained in the *Tax Laws Amendment (2009 Measures No. 4) Act 2009* (Cth) which received Royal Assent on 18 September 2009. The PAF Guidelines were signed on 28 September 2009 and a model trust deed was released soon after by the ATO.

The PAF Guidelines are a legislative instrument and so have legal effect, in contrast to the previous guidelines that applied to PPFs. PAFs must agree to comply with the Guidelines.

In each financial year, a PAF must distribute to DGRs an amount equal to at least 5 per cent of the market value of its net assets as at the end of the previous financial year. The market value of the assets must be estimated in the way specified in the Guidelines.

A PAF must not acquire a collectable, may not carry on a business, and may not solicit donations from the public. A PAF is also effectively limited in the donations it can accept from ‘outsiders’.

A PAF must have and maintain a current investment strategy meeting the requirements of the PAF Guidelines and (subject to some exceptions) may not borrow or maintain an existing borrowing. Additional obligations are also imposed on the independent responsible person on the board of directors of the trustee.

The Guidelines contain some exceptions/qualifications in respect of the above rules, and the Guidelines and Act contain transitional provisions in respect of certain PAFs that existed before 1 October 2009.

Gifts of Property over $5,000

From 1 July 2001 changes to the legislation enabled donors to claim a tax deduction for gifts of property held by the donor and valued at more than $5,000 by the Commissioner of Taxation. This deduction was backdated to apply from 1 July 1999 and extends to property donated to approved environmental and heritage organisations. Previously, the deduction was only available where the property was purchased within 12 months of being donated.

Five Year Averaging of Donations

Donors now have the ability to spread deductions for the following types of gifts over a period of up to five income years:

- cash donations in excess of $5,000 (which took effect from 1 July 2003),
- property valued by the Commissioner in excess of $5,000 (which took effect from 1 July 1999), and
- cultural gifts made through the Cultural Gifts Program (which took effect from 1 July 1999).

Deductions for Workplace Giving

Workplace giving programs (which were introduced from 1 July 2002) are designed to give employees the opportunity to make donations to a DGR through regular payroll deductions. Employees receive immediate tax benefits, as employers are able to reduce the amount of PAYG withholding tax from the employee's pay.

Conservation Covenants

Certain types of conservation covenants over land, entered into on or after 1 July 2002, are eligible for an income tax deduction and concessional capital gains tax treatment.

The Cultural Gifts Program – Capital Gains Tax Exemption

Since 1 July 1999, bequests of property and gifts of cultural property made through the Cultural Gifts Program are exempt from capital gains tax, thus maximising the appreciated value of these gifts for tax deduction purposes.

Deductions for Fundraising Dinners and Similar Events

Since 1 July 2004, individual taxpayers are, in certain circumstances, able to receive a tax deduction for 'contributions' in the form of purchasing a ticket to a charity fundraising dinner.

The deduction initially applied to contributions above $250, where the value of the benefit received (for example, a meal or entertainment) was no more than 10 per cent of the total contribution or $100, whichever was less. The provision also relates to goods purchased at fundraising auctions.

Further changes were made from 1 January 2007 to reduce the minimum contribution threshold to $150 (previously $250), to allow a greater number of charities to use the measure for fundraising. The value of the minor benefit allowed was increased to 20 per cent of the gift – or ticket price – but not exceeding a value of $150 (previously 10 per cent not exceeding $100).

Health Promotion Charities

A new DGR category known as Health Promotion Charities is entitled to the same benefits as Public Benevolent Institutions. This category commenced in 2002 but was backdated to the 1997–98 year. It allows a tax deduction for gifts to charitable institutions whose principal activity is the promotion of prevention or control of disease in human beings.

Donations to Political Parties and Other Candidates

From 22 June 2006, under Subdivision 30–DA ITAA 1997:

- the tax-deductible threshold for political contributions is up to $1,500 for an income year,
- deductions are allowed for contributions made to political parties registered under state and territory, as well as federal, electoral legislation,
- gifts to independent candidates and independent members may be deductible, and
- companies may be entitled to deductions.

Tax Laws Amendment (2008 Measures No. 1) Bill 2008 was passed by the House of Representatives on 21 February 2008 and introduced to the Senate on 11 March 2008. Schedule 1 of the Bill amends the income tax law to remove tax-deductibility for contributions or gifts to political parties, independent members and candidates. The measure applies in relation to contributions and gifts made on or after 1 July 2008. The Senate referred the provisions of Schedule 1 to the Joint Standing Committee on Electoral Matters for inquiry and report by June 2009. Further, the *Tax Laws Amendment (Political Contributions and Gifts) Bill 2008* was passed by the Senate on Tuesday, 3 February 2009 with amendments. Individual taxpayers will still be able to claim a tax deduction for such gifts up to $1,500 due to amendments.

Five new General Categories of Deductible Gift Recipient from 1 July 2006

- Australian disaster relief funds – public funds for the relief of people in distress as a result of a declared disaster which occurred in Australia,[5]
- animal welfare charities – charitable institutions that provide short-term direct care and/or rehabilitate certain animals,
- charitable services institutions – charitable institutions that would be Public Benevolent Institutions but for their health promotion and/or harm prevention activities
- War Memorial repair funds – public funds established and maintained for the reconstruction or critical repair of a qualifying War Memorial, and
- developed country disaster relief funds – public funds established by a public benevolent institution for the relief of people in distress as a result of a declared disaster in a developed country.

Educational Scholarships

From 1 July 2006, a public fund established for charitable purposes is eligible for endorsement as a DGR by the Commissioner if its sole purpose is to provide money for scholarships, bursaries or prizes to which section 30–37 of the ITAA 1997 applies.

A scholarship, bursary or prize to which the section applies is one which:

- may only be awarded to Australian citizens, or permanent residents of Australia, within the meaning of the Australian Citizenship Act 1948,
- is open to individuals or groups of individuals throughout a region of at least 200,000 people or throughout at least an entire state or territory,
- promotes recipients' education in either or both of:
  - preschool courses, primary courses, secondary courses or tertiary courses, or
  - educational institutions overseas, by way of study of a component of one of the above courses, and
- is awarded on merit or for reasons of equity (e.g., for students who are experiencing financial disadvantage or hardship).

Scholarships and bursaries are ongoing or one-off benefit payments for school fees, textbooks and related educational expenses such as uniforms or travel. A prize is an award of money or property that is usually conferred for reasons of merit such as academic achievement but may also be for reasons of equity.

Share Gifts

From 1 July 2007, if a taxpayers makes a gift of listed shares valued at $5,000 or less that were acquired at least 12 months earlier, they could be eligible to claim a deduction. For the gift to be tax-deductible, **all** the following requirements must be met:

- the shares were acquired in a listed public company,
- when the shares were given, they were listed for quotation on the official list of an Australian stock exchange,
- the shares were given to a DGR,
- the shares were acquired at least 12 months before they were given, and
- the market value of the shares was $5,000 or less on the day they were given.

Amendments to Public Ancillary Funds

In the May 2010 Budget, the federal government announced that it would improve the integrity of Public Ancillary Funds (PubAFs) by introducing a new regulatory framework similar to that introduced for PAFs. Amending legislation was introduced as part of the Tax Laws Amendment (2011 Measures No 7) Bill 2011. Guidelines were made by a legislative instrument on 9 December 2011, setting out rules for establishing, operating and winding up a PubAF, and transitional provisions. Most changes took effect on 1 January 2012.

The reformed regulatory framework takes much of its shape from that of PAFs. A new section 426–102 inserted into Schedule 1 of Taxation Administration Act 1953 sets out the elements of a trust that is a PubAF, including that trustees are constitutional corporations or a Public Trustee. The main amendments introduced have the effect that:

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[5] The disaster relief fund list is available at https://www.ato.gov.au/Non-profit/Gifts-and-fundraising/In-detail/Disasters/List-of-disasters/.

- An ancillary fund is defined as a 'public ancillary fund' or 'private ancillary fund' in Income Tax Assessment Act 1997, section 995–1. Philanthropic trust funds can be 'public ancillary funds' or 'private ancillary funds' under the Taxation Administration Act 1953, (Schedule 1 section 426–1).
- PubAFs are identified as such on the Australian Business Register (Taxation Administration Act 1953, Schedule 1 section 426–104).
- The Minister (Treasurer) must make binding guidelines through legislative instruments (Taxation Administration Act 1953, Schedule 1 section 426–103).
- The Commissioner of Taxation will have power (under the Taxation Administration Act 1953, Schedule 1 section 426–120) to:
  - impose administrative penalties on corporate trustees and directors of trustees who breach the Guidelines, or
  - suspend or remove trustees for breaches of guidelines.

The Public Ancillary Fund Guidelines 2011 set out requirements for operation, winding up and portability, including:

- the PubAFs nonprofit nature,
- minimum annual distribution of 4 per cent of the market value of net assets as at end of previous financial year,
- annual valuation of assets,
- accounts; annual financial statements; and audit of financial accounts,
- annual income tax return,
- investment strategy and limitations on investing,
- trustees' fees and remuneration,
- inviting the public to donate, and
- transferring assets to another PubAF.

Model trust deeds are available from the ATO website and cater for different state laws.

New DGR Class Announced

Parliament passed Tax Laws Amendment (2013 Measures No. 1) Bill 2013, which received Royal assent on 29 June 2013. The legislation enabled eligible providers of ethics education in government schools to receive tax-deductible donations. The start date for this DGR category was 29 June 2013.

Reforming the Administration of Tax-Deductible Gift Recipients

On 5 December 2017, the Government announced that it intended to reform the administration and oversight of DGRs, with the ATO Commissioner to have a power of exemption in certain circumstances. Separate government DGR registers such as overseas aid, environment and culture will be transferred to the Australian Charities and Not-for-profits Commission (ACNC). Public fund requirements will be abolished.

In late 2020 Treasury released an Exposure Draft Bill, Explanatory Materials and FAQs relating to the Treasury Laws Amendment (Measures for a later sitting) Bill 2020: Requiring all DGRs to be registered charities, see https://treasury.gov.au/consultation/c2020-113633.

While the Bill did not address all the initial issues, it amended the taxation legislation to insert a precondition for DGR endorsement being:

- a registered charity, or
- an Australian government agency, or
- operated by a registered charity or an Australian government agency.

The reform bill was assented to on 13 September 2021.

Private Ancillary Fund Guidelines

The Taxation Administration (Private Ancillary Fund) Guidelines 2019) were re made before they were to “sunset” on 1 October 2019. The key changes from the 2009 Guidelines are:

- the adoption of current drafting practices such as referring to “sections” rather than “guidelines”,
- improvements to the structure to make the provisions easier to understand and navigate, and
- the centralisation of definitions of some key terms upfront to improve clarity.

The Guidelines apply from 21 September 2019.

COVID-19: Increased support incentives for charities

The government announced an incentive for philanthropic funds to provide more support to donation recipients during the COVID-19 pandemic period. Public and private ancillary funds that make total distributions in 2020–21 and 2020–21 that are above the minimum required distribution, will be provided a credit. The credit can be used to reduce minimum distribution in 2021–22 and future financial years (Seselja, 2020).

This was achieved through the Taxation Administration (Coronavirus Economic Response Package — Ancillary Funds) Amendment Guidelines 2020 (F2020L00684) to amend the Public Ancillary Fund Guidelines 2011 (PUAF Guidelines) and the Taxation Administration (Private Ancillary Fund) Guidelines 2019 (PAF Guidelines) (collectively, the Guidelines).

Community sheds

In the 2019/20 Budget the Government announced a new general category of DGR for community sheds. The new DGR category applies to public institutions that are registered charities and satisfy the definition of a community shed.

To be a community shed, a public institution must:

- have the dominant purposes of advancing mental health and preventing or relieving social isolation,
- principally advance these purposes by providing a physical location at which individuals are supported to work on projects or undertake other activities in the company of others, and
- have membership that is open to members of the public.

The measure applies to gifts made on or after 1 July 2020.

Pastoral Care DGR Fund

The Government announced in the 2021-22 Mid-Year Fiscal and Economic Outlook that it will establish a deductible gift recipient (DGR) category to enable funds to access DGR status where the fund supports pastoral care and analogous wellbeing services delivered to students in Australian primary and secondary schools.

A consultation has taken place, but no further steps have been taken with legislation at the date of writing.

Ancillary fund guidelines remade

The guidelines which set which set out the rules for a public ancillary fund to obtain and maintain deductible gift recipient status were remade and commenced on 25 February 2022

The main change was including a merits review of the Commissioner's decisions on applications for a lower minimum annual distribution rate.

The 2022 Guidelines also amend the Taxation Administration (Private Ancillary Fund) Guidelines 2019 to also allow merits review for private funds seeking a reduced annual distribution rate.

2.3. Private Ancillary Funds (PAFs) – 2000–2021

PAFs are trusts to which a small group of taxpayers can make tax-deductible donations[6, 7] (see section 2.1 above). The term *Private Ancillary Fund* is defined in the taxation legislation and has some similarities with the US private family foundation. The sole purpose of a PAF must be to provide money, property or benefits to funds, authorities or institutions, which are DGRs. Table 3 displays the number of PAFs, donations received, distributions made and closing values since 2000–01.

Table 3: Number of PAFs, donations received, distributions made and closing values by year

Year	Number of PAFs approved in the year	Cumulative (net) number of PAFs	Donations received ($m)	Distributions made ($m)	Closing value ($m)
2000–01	22	22	78.66	–	78.62
2001–02	59	81	53.04	6.69	133.71
2002–03	49	130	53.18	18.42	179.33
2003–04	94	224	155.66	27.46	332.02
2004–05	95	319	192.69	57.43	523.25
2005–06	116	435	364.94	84.47	885.42
2006–07	164	599	533.26	133.42	1,484.47
2007–08	169	768	779.33	140.57	2,069.35
2008–09	54	822	272.71	155.34	2,038.19
2009–10	57	879	321.04	197.47	2,266.83
2010–11	28	907	304.39	165.41	2,124.46
2011–12	95	1,002	354.49	251.66	2,933.60
2012–13	84	1,069	316.89	277.97	3,402.97
2013–14	153	1,204	558.83	326.95	4,246.68
2014–15	144	1,315	1,867.44	422.92	5,979.52
2015–16	129	1,426	810.73	456.81	8,307.39
2016–17	139	1,495	837.05	452.27	9,391.51
2017–18	155	1,650	1,009.00	394.43	7,183.14
2018–19	108	1,731	546.39	564.58	7,304.02
2019–20	96	1,819	805.79	520.74	7,636.14
2020–21	131	1,939	1,196.50	510.93	11,550.53

There were 131 new PAFs approved in the 2020–21 financial year, bringing the total number of PAFs existing to 1,939 (see Chart 1 and Chart 2).[8] This was a 6.60 per cent increase in the total number of PAFs from the previous financial year.

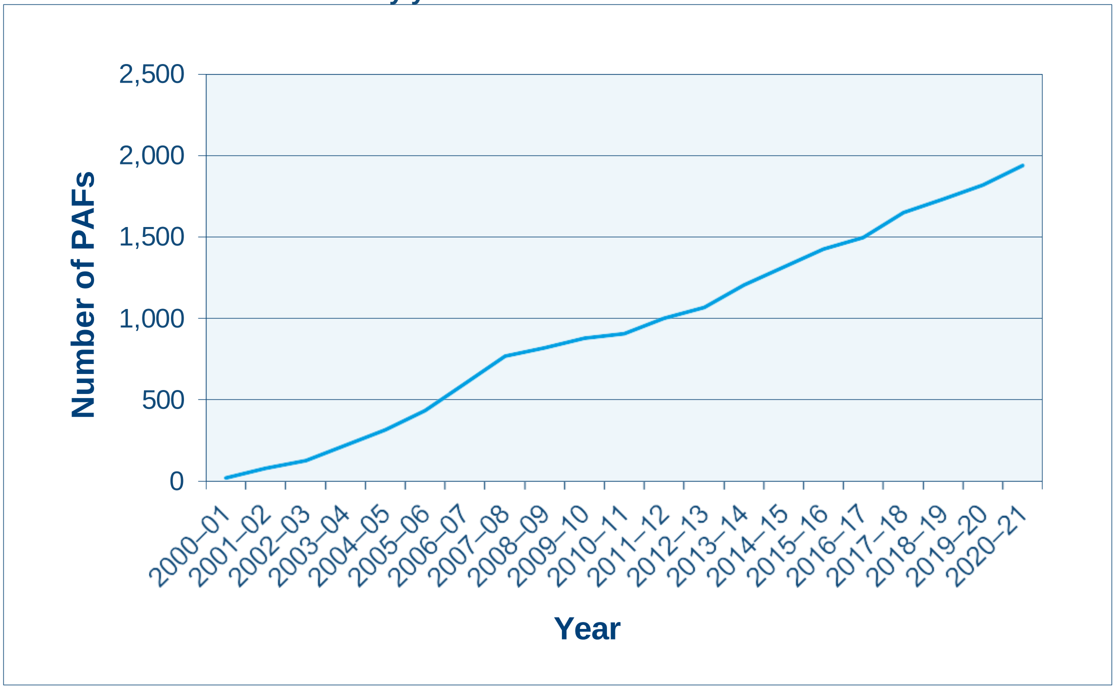
Chart 1: Number of new PAFs approved by year

Chart 2 displays the cumulative (net) number of PAFs by year, considering the closure of some. There has been an increase in the cumulative number of PAFs each year.

[6] On 1 October 2009, all existing Prescribed Private Funds (PPFs) became Private Ancillary Funds (PAFs).
[7] PPFs were part of the Howard Government's response to the report on philanthropy in Australia by the Business and Community Partnerships Working Group on Taxation Reform dated 26 March 1999. See section 2.2.1

[8] The statistics for most income years are as at 31 October of the following year, for example 2020–21 income year includes data from 2020–21 returns processed by 31 October 2021. However, the statistics for the 2016–17 income year are as at 31 October 2019.

Chart 2: Net number of PAFs by year



As shown in Chart 3, for the year ending 30 June 2021, a total of $1,196.50 million was donated to PAFs. This represents a 48.49 per cent increase from the previous 2019–20 financial year, during which $805.79 million was donated to PAFs.

Chart 3: Total donations received by PAFs by year

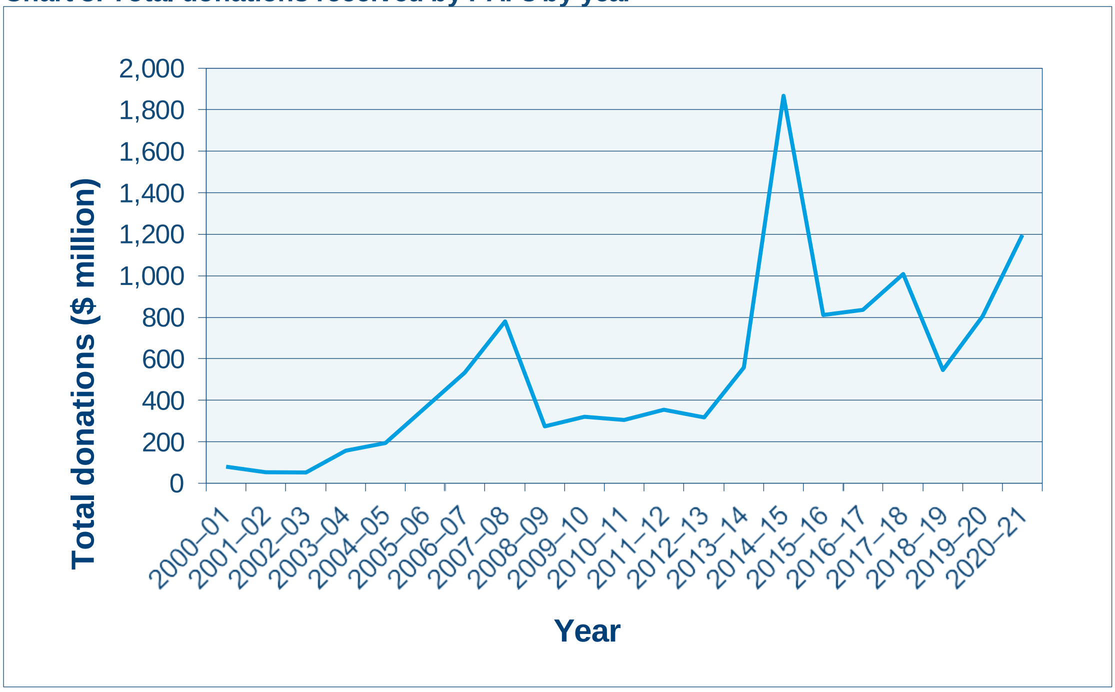


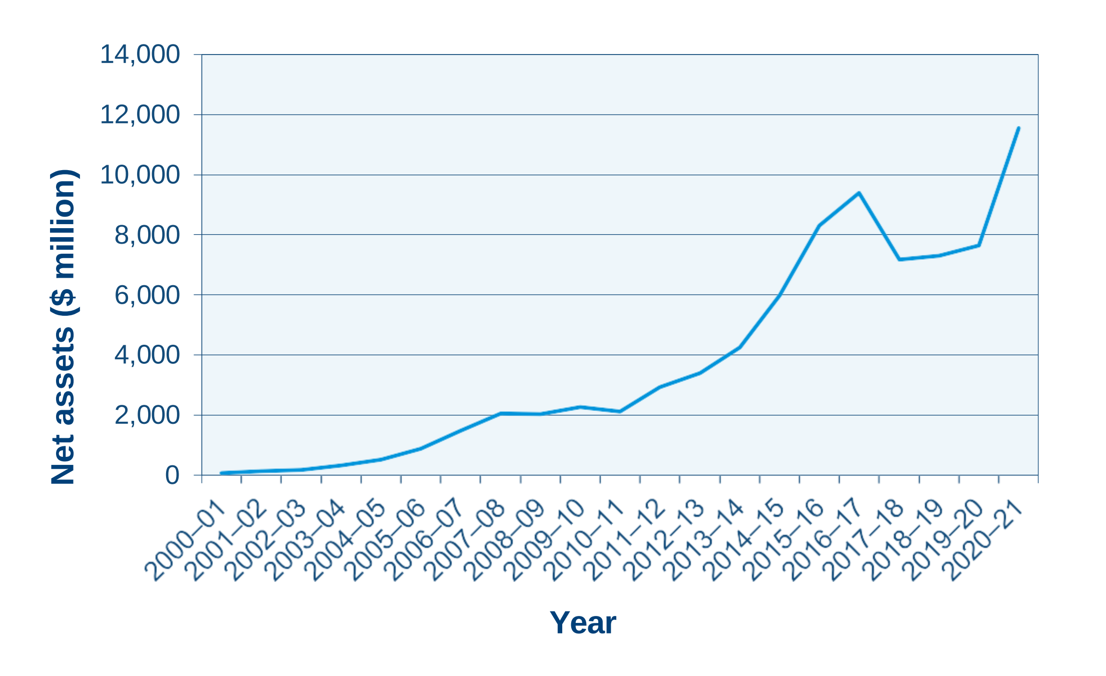
Chart 4 displays the value (in millions) of distributions (grants) made across the years by PAFs. In 2020–21, $510.93 million was distributed by PAFs. This is a slight drop from the

$520.74 million distributed the previous year. From May 2020, PAFs were encouraged to increase their distributions above the minimum 4 per cent, with the option of reducing their minimum distribution in future years (Seselja 2020). In 2020–21, PAFs distributed 6.69 per cent of their assets. In 2019–20, they distributed 7.13 per cent of their assets) (McGregor-Lowndes et al., 2022).

Chart 4: Total distributions made by PAFs by year

Chart 5 displays the closing value of PAFs by year. The net assets of PAFs as at June 30, 2021, were $11,550.53 million, compared to $7,636.14 million as at 30 June 2020. This is a substantial increase of 51.26 per cent.

Chart 5: Net PAF assets by year



Once again, the ATO has released data of PAF distributions in 2020–21 to specific DGR categories (see Table 4). Donations increased to cultural organisations, defence, education, environment, international affairs, research, sports and recreation, family and welfare and rights organisations. In contrast, donations decreased for ancillary funds, fire and emergency services, and health organisations. See section Categories of Deductible Gift Recipients for more information on categories of DGRs.

A separate Information Sheet providing more detail on Ancillary Fund giving is released by ACPNS each year and is available at https://eprints.qut.edu.au/234642/.

Table 4: PAF distributions ($) made to Deductible Gift Recipients (DGRs) by category, 2010–11 to 2020–21

DGR General categories	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018–19	2019–20	2020–21
Ancillary Fund DGRs	11,611,933	6,382,749	4,442,391	n/a	n/a	n/a	5,572,296	9,941,940	9,899,689	17,108,027	5,224,847
Cultural Organisations	28,341,761	22,760,139	40,937,178	n/a	n/a	n/a	44,193,448	36,333,155	40,466,275	60,506,124	73,705,363
Defence	n/a	n/a	n/a	n/a	n/a	n/a	65,500	59,600	27,000	16,000	83,000
Education	9,977,762	24,771,616	36,360,901	n/a	n/a	n/a	12,106,888	6,641,587	13,804,231	7,319,953	9,875,849
Environment	13,311,684	8,153,522	9,049,031	n/a	n/a	n/a	13,417,426	9,683,089	11,566,861	11,134,422	26,152,789
Family	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100,000	31,700	94,000	237,833
Fire and emergency services	n/a	n/a	n/a	n/a	n/a	n/a	15,000	10,000	15,000	409,539	179,174
Health	14,160,319	33,001,353	27,926,685	n/a	n/a	n/a	48,968,584	40,678,204	43,133,784	50,580,546	33,726,004
International Affairs	17,584,209	18,019,217	19,568,947	n/a	n/a	n/a	14,494,518	10,421,142	7,181,472	7,866,074	9,362,849
Legislated	n/a	n/a	n/a	n/a	n/a	n/a	30,034,735	30,817,283	172,740,438	44,284,666	28,959,086
Multi	n/a	n/a	n/a	n/a	n/a	n/a	119,152,183	124,943,021	123,721,941	139,949,804	105,884,037
Not a DGR[9]	32,100	1,991,891	562,130	n/a	n/a	n/a	6,246,643	6,744,721	4,517,544	6,632,648	10,209,499
Not a DGR but a TCC	362,640	1,059,832	1,804,772	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Research	4,931,365	32,605,299	8,999,479	n/a	n/a	n/a	49,933,203	13,852,278	15,240,713	12,664,166	19,624,165
Sports & Recreation	87,697	65,743	41,900	n/a	n/a	n/a	188,417	69,500	135,300	20,600	46,900
Welfare & Rights	42,091,825	69,836,571	72,427,783	n/a	n/a	n/a	106,281,883	103,964,241	121,479,830	161,630,540	187,418,981
Private Ancillary Funds	n/a	n/a	n/a	n/a	n/a	n/a	1,140,585	48,500	606,610	346,662	131,500
Other[10]	22,916,849	33,015,696	21,427,641	n/a	n/a	n/a	427,000	121,000	12,500	179,500	109,700
Insufficient details provided	n/a	n/a	937,633	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total distributions made	**165,410,144**	**251,663,628**	**277,970,272**	**326,946,377**	**422,916,380**	**456,806,890**	**452,268,309**	**394,429,261**	**564,580,888**	**520,743,271**	**510,931,576**

[9] 'Not a DGR' includes distributions made to recipients where ABN details are not provided, incomplete or not to a valid recipient. 'TCC' stands for Tax Concession Charity.
[10] In the years prior to 2016-17, 'Other' includes donations to ‘family’, ‘defence’, ‘industry, trade and design’, ‘philanthropic trusts’, 'fire & emergency organisations' and specifically listed DGRs in legislation (Legislated).

2.4. Public Ancillary Funds (PubAFs) – 2011–2021

Public Ancillary Funds (PubAFs) are a common structure for fundraising and community foundations. A Public Ancillary Fund is distinct from a Private Ancillary Fund, in that it must establish a public fund and raise funds from the public.

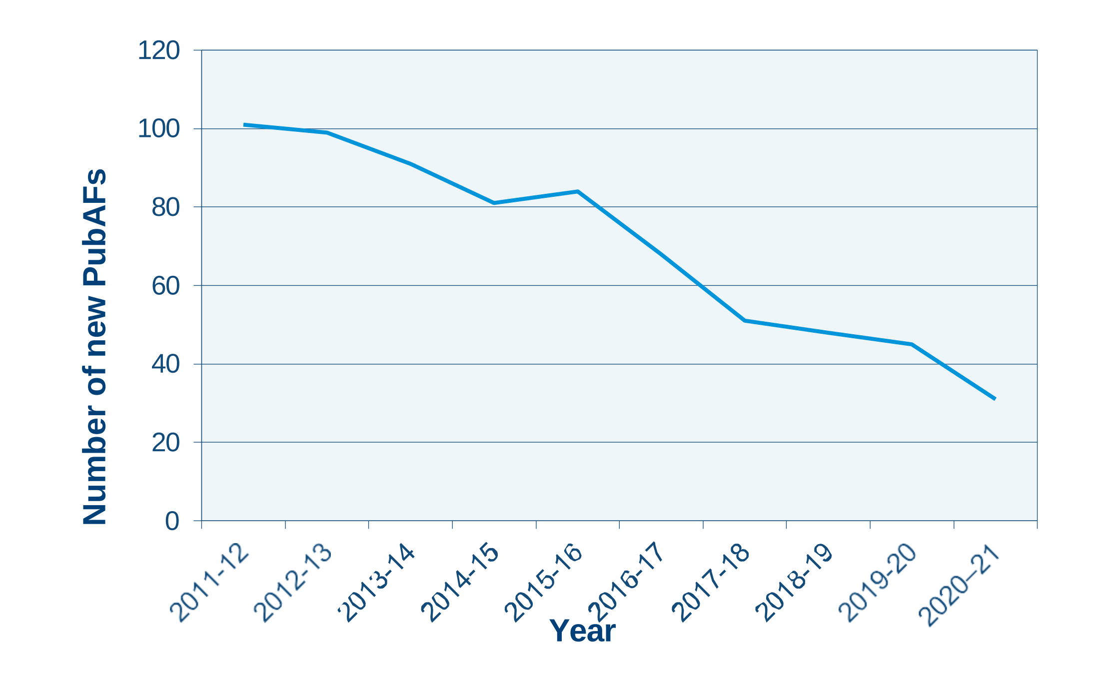
Table 5 displays the statistics for PubAFs from 2011–12 through to 2020–21. There were 31 new PubAFs approved in the 2020–21 financial year bringing the total number to 1,379. Donations received by PubAFs in 2020–21 were down 12.09 per cent from 2019–20 ($1.15 billion in 2020–21 compared to $1.31 billion the previous year). A total of $625.91 million was distributed in 2020–21, leaving $4.84 billion in net assets.

Table 5: Numbers of PubAFs, donations received, distributions made and closing asset values, by year

Financial Year	Number of PubAFs approved in the year	Cumulative number of PubAFs	Donations received ($m)	Distributions made ($m)	Net PubAF assets ($m)
2011–12	101	1,437	337.48	370.47	1,682.07
2012–13	99	1,527	465.70	470.06	2,957.39
2013–14	91	1,550	617.45	525.23	3,461.26
2014–15	81	1,539	622.63	507.98	3,717.09
2015–16	84	1,449	768.31	394.14	3,822.37
2016–17	68	1,304	691.67	469.78	2,586.93
2017–18	51	1,355	683.60	394.95	3,483.32
2018–19	48	1,359	846.79	402.33	3,025.10
2019–20	45	1,373	1,311.54	349.80	3,953.00
2020–21	31	1,379	1,152.98	625.91	4,838.28

Chart 6 shows that 31 new PubAFs were approved in 2020–21, compared to 45 approved in the previous year. The number of new PubAFs has fallen every year except 2015–16 and is the smallest number of new PubAFs since reporting began in 2011.

Chart 6: Number of new PubAFs approved by year



Overall, 25 PubAFs were closed in 2020–21, while 31 new PubAFs were approved, resulting in a net gain of 6 PubAFs leaving the total number of PubAFs at 1,379 (see Chart 7).

Chart 7: Net number of PubAFs by year

Chart 8: Total donations received by PubAFs by year shows that in 2020–21, PubAFs received $1.15 billion. This is a decrease of 12.09 per cent from the $1.31 billion received in 2019–20 but is still the second highest amount recorded since data was made available in 2011–12.

Chart 8: Total donations received by PubAFs by year

In 2020–21, PubAFs made distributions (grants) totalling $625.91 million. This is a substantial increase of 78.93 per cent from the previous year where distributions totalled $349.80 million (see Chart 9). As with PAFs, PubAFs were encouraged to increase their distributions above the minimum 4 per cent during 2019–20. In 2020–21, PubAFs distributed 15.83 per cent of their net assets, compared to 11.56 per cent the previous year (McGregor-Lowndes et al., 2022).

Chart 9: Total distributions (grants) made by PubAFs by year

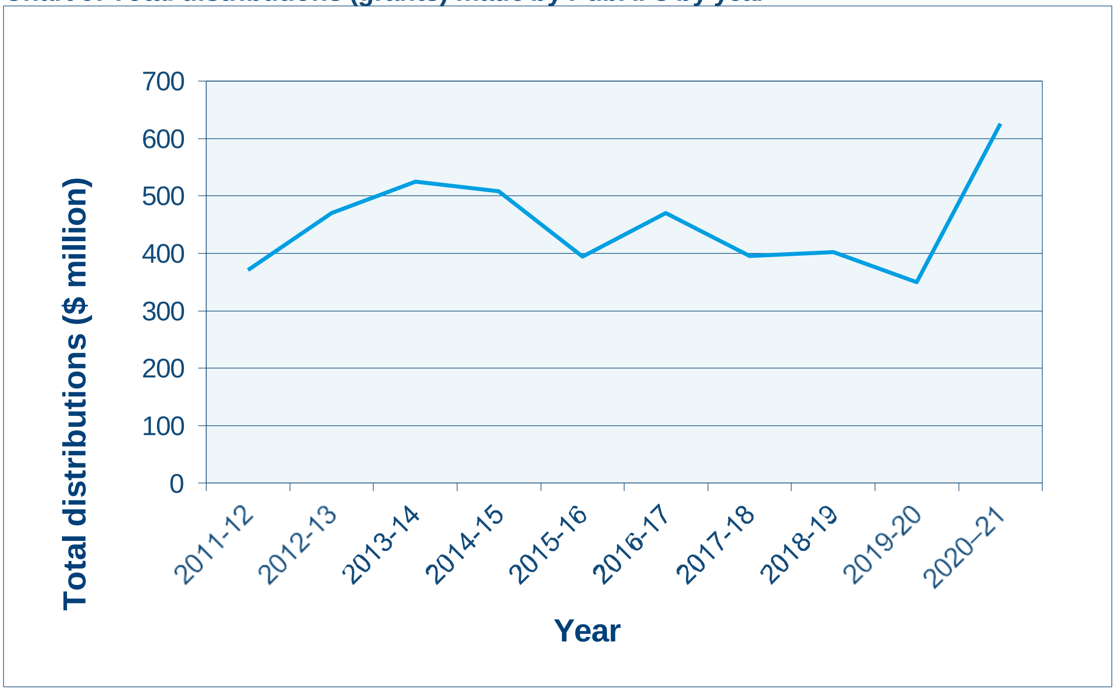


Chart 10 shows that net PubAF assets increased by 22.40 per cent in 2020–21 to $4.84 billion. This is the highest amount since reporting began in 2011–12.

Chart 10: Net PubAF assets by year

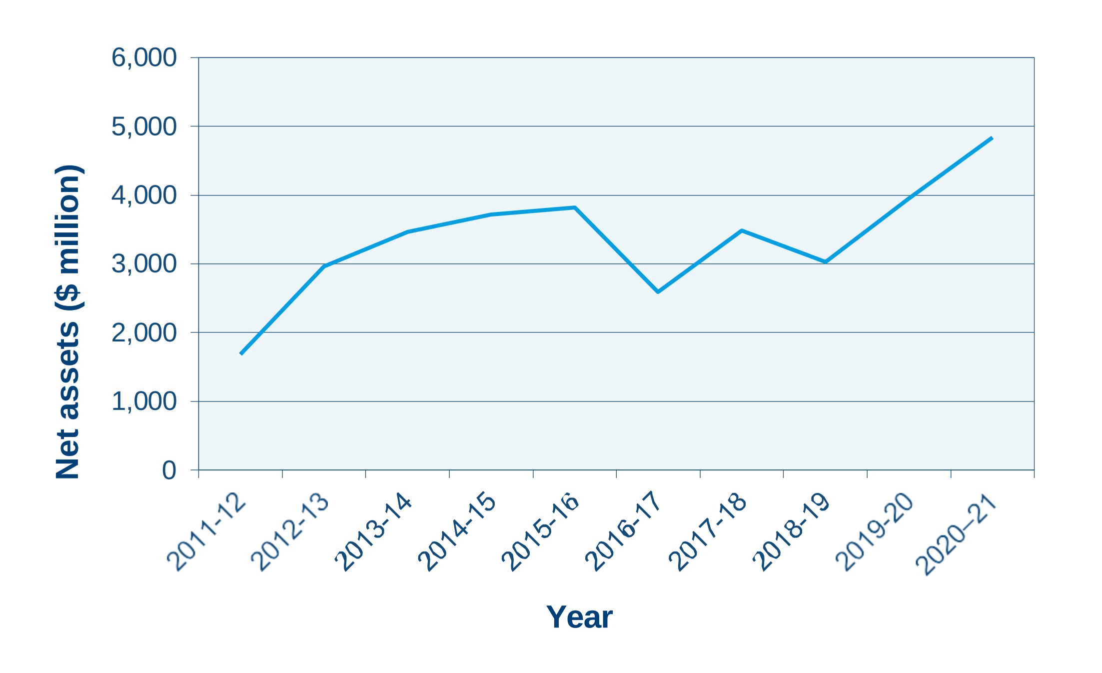


Table 6 displays the distributions made by PubAFs to DGRs by the category of recipients. Donations increased significantly in 2020–21 to fire and emergency services, , environment, welfare and rights and education. Donations decreased to family, sports and recreation organisations and ancillary funds.

A separate Information Sheet providing more detail on Ancillary Fund giving is released by ACPNS each year and is available at https://eprints.qut.edu.au/234642/.

Table 6: PubAF distributions (grants) made ($) to Deductible Gift Recipients (DGRs) by category of recipient, 2011–12 to 2020–21[11]

DGR General categories	2011-12	2012-13	2013–14	2014–15	2015–16	2016–17	2017-18	2018–19	2019-20	2020–21
Ancillary Fund DGRs	3,456,273	5,836,347	n/a	n/a	n/a	2,067,643	950,221	1,846,580	9,184,665	2,682,341
Cultural Organisations	11,030,854	13,929,865	n/a	n/a	n/a	14,518,489	11,007,280	12,504,751	12,944,839	16,593,072
Defence	n/a	n/a	n/a	n/a	n/a	20,435	7,070	0	4,038	0
Education	65,139,978	104,753,951	n/a	n/a	n/a	50,921,181	22,579,856	21,934,704	11,479,836	29,040,842
Environment	918,933	1,072,759	n/a	n/a	n/a	963,758	1,194,596	1,012,144	3,907,402	32,988,573
Family	n/a	n/a	n/a	n/a	n/a	3,000	5,000	5,609	5,000	0
Fire and emergency services	n/a	n/a	n/a	n/a	n/a	6,121	7,325	2,786	214,605	59,107,096
Health	54,550,247	48,184,549	n/a	n/a	n/a	84,821,516	62,222,918	91,706,256	86,005,252	100,969,264
International Affairs	4,355,701	7,972,587	n/a	n/a	n/a	2,650,673	1,527,741	1,620,643	1,486,823	1,638,814
Legislated	n/a	n/a	n/a	n/a	n/a	8,516,300	4,901,203	6,226,867	5,799,677	16,866,694
Multi	n/a	n/a	n/a	n/a	n/a	142,065,179	131,642,436	113,798,777	119,378,969	120,199,127
Not a DGR[12]	6,652,301	1,292,749	n/a	n/a	n/a	n/a		11,989,569	15,157,051	26,576,930
Not a DGR but a TCC	3,270,894	6,995,191	n/a	n/a	n/a	24,991,293	10,600,170	n/a	n/a	n/a
Private Ancillary Funds	n/a	n/a	n/a	n/a	n/a	0	1,000	39,550	0	409,678
Research	26,527,038	11,571,858	n/a	n/a	n/a	10,610,064	9,748,151	4,597,891	7,240,839	8,528,561
Sports & Recreation	633,227	698,365	n/a	n/a	n/a	446,819	573,088	670,368	481,727	140,104
Welfare & Rights	192,109,915	100,694,479	n/a	n/a	n/a	n/a	n/a	134,373,288	76,509,299	210,170,385
Other[13]	1,801,370	1,527,638	n/a	n/a	n/a	105,749	5,100	1,000	0	2,500
Insufficient details provided	n/a	1,815,097	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total distributions made	**370,466,731**	**470,064,831**	**525,233,837**	**507,979,232**	**394,141,696**	**469,779,301**	**394,946,995**	**402,330,783**	**349,800,022**	**625,913,981**

[11] The statistics for most income years are as at 31 October of the following year, for example 2012–13 income year includes data from 2012–13 returns processed by 31 October 2014. However, the statistics for the 2011–12 income year were sourced from 2012 returns processed by 18 June 2014.
[12] 'Not a DGR' includes distributions made to recipients where ABN details are not provided, incomplete or not to a valid recipient. 'TCC' stands for Tax Concession Charity.
[13] In the years prior to 2016-17, 'Other' includes donations to ‘family’, ‘defence’, ‘industry, trade and design’, ‘philanthropic trusts’, 'fire & emergency organisations' and specifically listed DGRs (Legislated).

3.0 TAX-DEDUCTIBLE DONATIONS BY INDIVIDUAL TAXPAYERS 2020–21

This section of the Working Paper analyses the nature and extent of tax-deductible donations to DGRs claimed by Australian individual taxpayers in their 2020–21 income tax returns.

As noted in the Executive Summary (see page 6), the information presented is based on the amount and type of tax-deductible donations made to DGRs and claimed by Australian individual taxpayers for the period 1 July 2020 to 30 June 2021. This information has been extracted mainly from the ATO's publication *Taxation Statistics 2020–21.*[14] The 2020–21 data is the latest that has been made publicly available by the ATO. Previous year's working papers are available at https://research.qut.edu.au/australian-centre-for-philanthropy-and-nonprofit-studies/resources/giving-statistics/.

3.1. Individual Taxpayer Donations

Table 1 in the Appendix to this paper (which forms the basis of Charts 11 to 18) contains data relating to the number of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2020–21 income tax return, as well as revised data for previous income years.[15]

Gift deductions represented 10.35 per cent of all personal taxpayer deductions. This compares to deductions for the cost of managing tax affairs claimed by taxpayers in 2020–21 which represented 5.44 per cent of all personal taxpayer deductions or $2.31 billion.

Chart 11: Total amount of tax-deductible donations shows a twenty-year comparison of the total amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers between the 2000–01 and 2020–21 income years.

In 2020–21 a total of 4.19 million individual taxpayers made and claimed tax-deductible donations to DGRs totalling $4.39 billion. This represented an increase of 14.19 per cent from the previous year's total of $3. 85 billion and is the highest total recorded.

[14] The data represent information in tax returns for the 2020–21 year processed by the ATO as at 31 October 2022.

Chart 11: Total amount of tax-deductible donations by year

[15] The ATO revises its figures to take account of newly processed returns and adjustments for three years after initial release and Appendix 1 reflects all revisions to October 2022. The figures used in the text compare the state of the data as at October of the year to which the data relates, so that proper comparisons can be made with the previous year.

Chart 12 displays the total amount claimed as tax-deductible donations since 1980–81. [16] While there have been some decreases (most notably after the Global Financial Crisis (GFC) in 2007–08), the overall trend is for the total amount donated to rise each year. The data suggests that giving recovered quickly from the drop seen in 2019–20.

Chart 12: Total tax-deductible donations since 1980–81

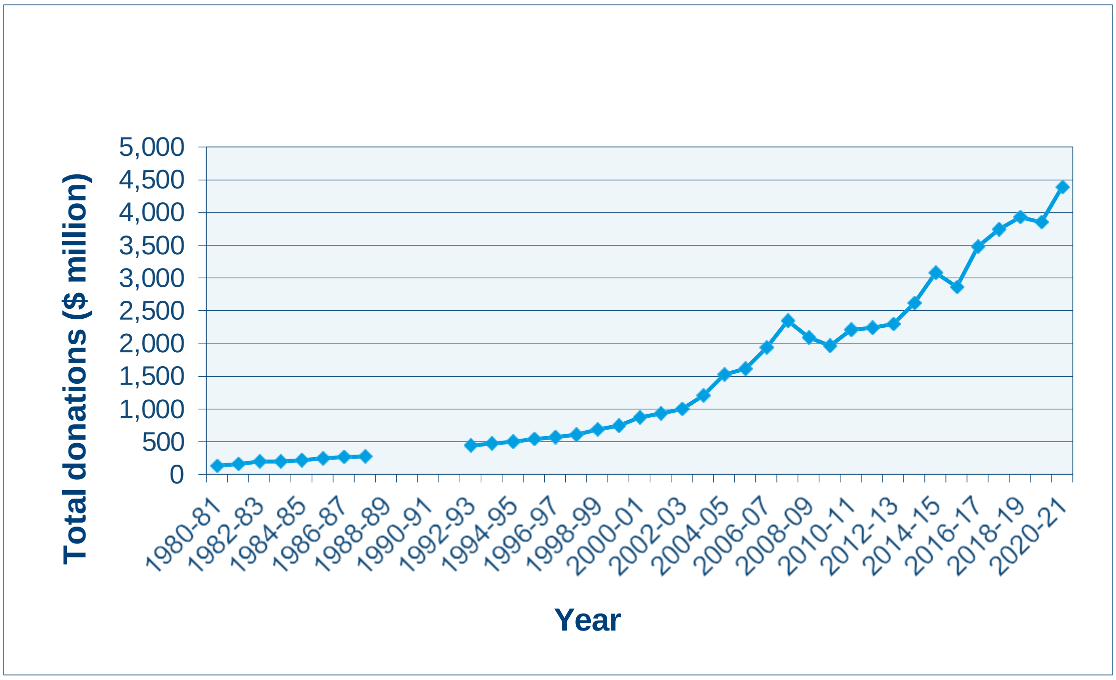


Chart 13 displays the inflation-adjusted total tax-deductible donations since 1980–81, using the base year of 2011–12.[17] Overall, the growth in actual total tax-deductible donations made by Australian taxpayers far exceeds inflation as measured by the Consumer Price Index (CPI).

[16]Disclosure of tax-deductible donations was not required in income tax returns from 1988–1992.

[17] The Australian Bureau of Statistics (ABS) changed the index reference base in September 2012 from 1989–90 to 2011–12. As a result, all CPI rates have been reset. See https://www.ato.gov.au/Rates/Consumer-price-index/ for more information on the CPI rate.

Chart 13: Inflation-adjusted total tax-deductible donations since 1980–81

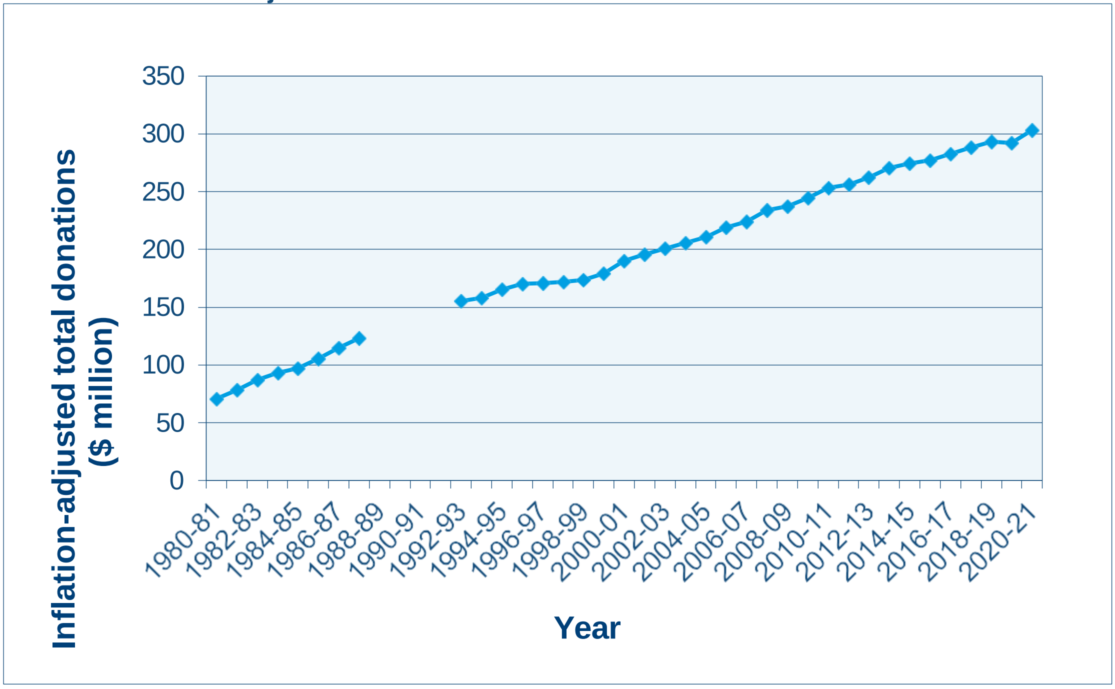


Chart 14: Percentage of donating taxpayers to total taxpayers shows that, in 2020–21, 4.19 million taxpayers (or 27.71 per cent of the Australian taxpaying population of 14.96 million) made and claimed tax-deductible donations. This is a decrease from 2019–20 when 29 per cent of taxpayers claimed a deduction and is the third year in a row that the percentage claiming a deduction has been below 30 per cent.

Chart 14: Percentage of donating taxpayers to total taxpayers by year

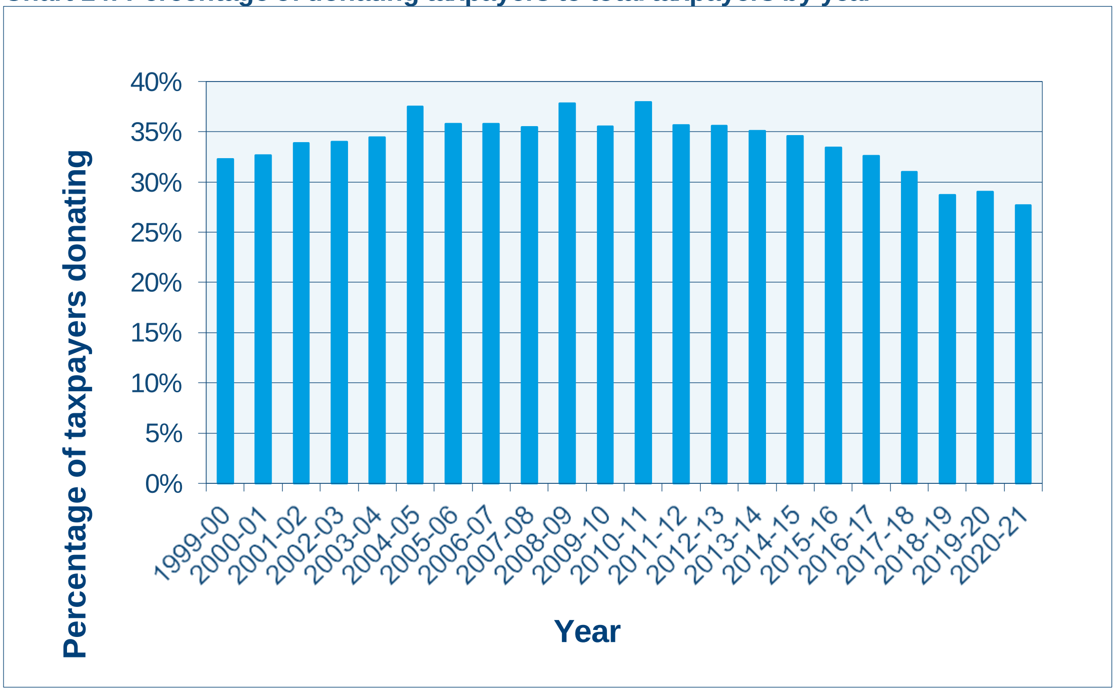


Chart 15 shows the number of taxpayers who claimed tax-deductible donations to DGRs against the total number of taxpayers for each financial year from 2000–01 to 2020–21. While the number of taxpayers has steadily risen in the past twenty years, the number of donating taxpayers has varied across the years. This year, the number of donating taxpayers decreased 3.31 per cent (or by 143,716). This is a similar number to that recorded in 2018–19, where 28.69 per cent of tax payers claimed a deduction for donations.

Chart 15: Donating taxpayers to total taxpayers by year

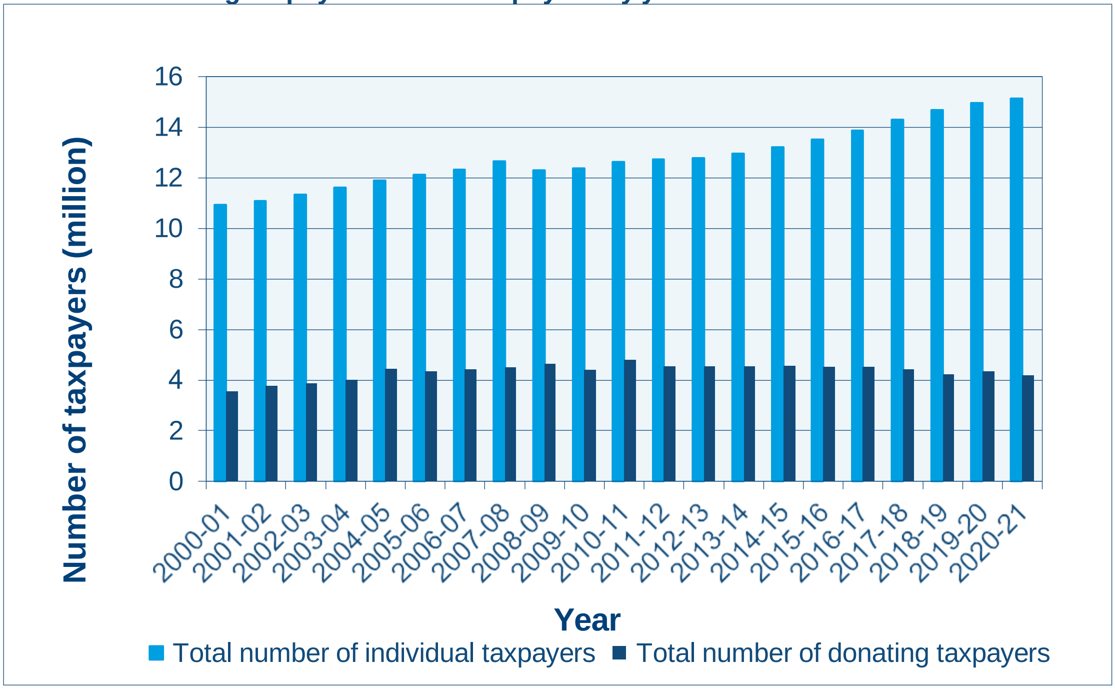


Chart 16 shows a comparison of the average tax-deductible donation made to DGRs and claimed by individual Australian taxpayers from 2000–01 to 2020–21. The average tax-deductible donation for 2020–21 was $1,047.27. This represents an increase of 18.10 per cent from the previous income year, when the average donation was $886.75. This is the first time the average donation has been more than $1,000. Consistent with the previous year, the median amount claimed by taxpayers in 2020–21 was $130. [18]

[18] Median donation has only been made available since 2013–14. The median number is the middle number when all values are aligned in numerical order. It can provide a more accurate picture than the average as it is not skewed by a few values at one end of the spectrum.

Chart 16: Average and median tax-deductible donations by year

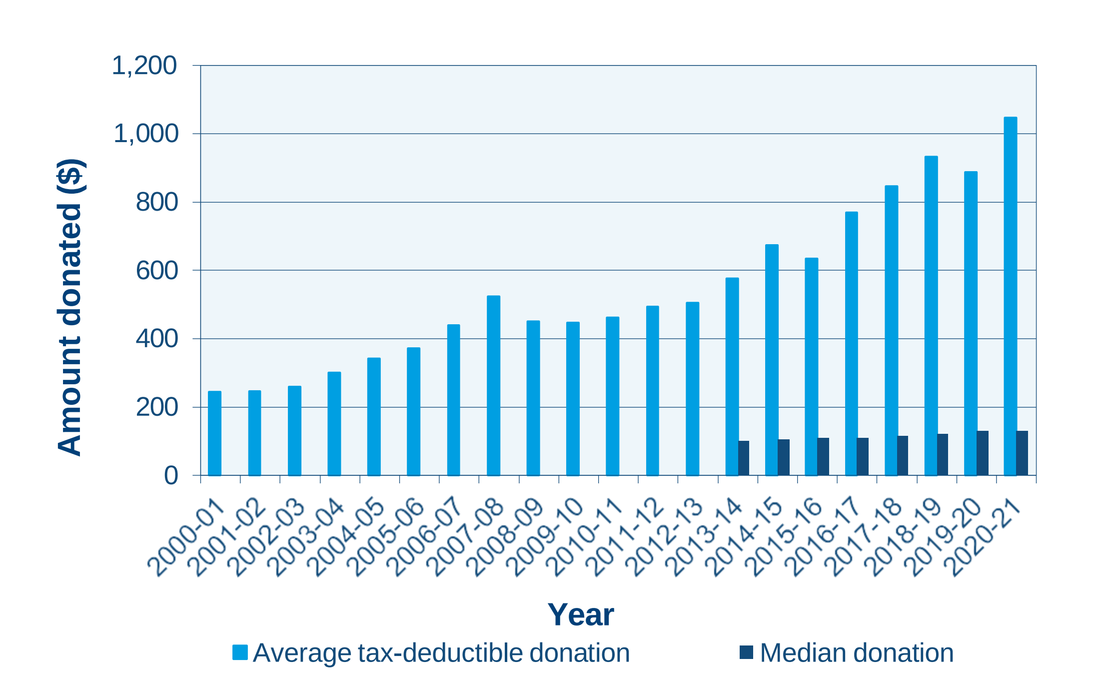


Chart 17 graphs the percentage of taxable income that Australians donate to DGRs and claim as tax deductions. In 2020–21, on average, those individual taxpayers who made tax-deductible donations to DGRs donated 0.42 per cent of their taxable income. This is an increase from the previous year when taxpayers donated 0.40 per cent of their taxable income.

This amount has oscillated over the past 20 years, from a low of 0.24 per cent in 1999–00 to 0.43 per cent at its highest in both 2017–18 and 2019–20. Over the past ten years (2011–2021), the amount donated by taxpayers has, on average, been 0.38 per cent of their taxable income.

Chart 17: Tax-deductible donations as a percentage of taxable income by year

The ATO also provides information on workplace giving (see Table 7). The number of people employed by organisations which have workplace giving programs has increased by 4.40 per cent to 4,326,985 in 2020–21. However, the number of employees using workplace giving has decreased by 2.17 per cent from 2019–20. Similarly, the percentage of employees using workplace giving has decreased to 4.78 per cent in 2020–21.

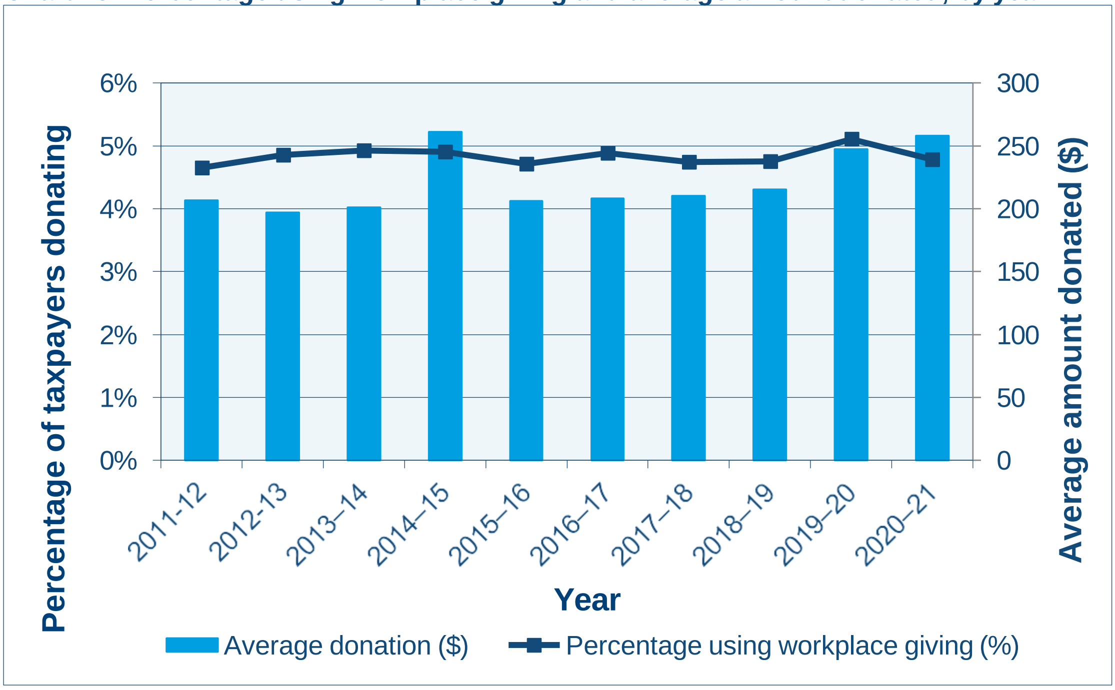
The total amount given using workplace giving was $53 million in 2020–21, an increase of 2.54 per cent from the previous year. In 2020–21, the average donation through workplace giving was $58, while the median donation remained at $100.

Table 7: Workplace giving programs, 2011–12 to 2020–21 income years[19]

	Total number of employees employed by workplace giving employers	Number of employees using workplace giving	Percentage using workplace giving	Total donations given using workplace giving ($ m)	Average donation ($)	Median donation ($)
2011–12	2,813,915	130,754	4.65%	27	N/A	N/A
2012–13	2,928,725	141,910	4.85%	28	197	N/A
2013–14	3,173,802	156,289	4.92%	31	201	N/A
2014–15	3,319,105	162,573	4.90%	43	261	76
2015–16	3,601,066	169,714	4.71%	35	206	75
2016–17	3,553,057	173,466	4.88%	36	208	78
2017–18	3,825,871	181,456	4.74%	38	210	75
2018–19	4,230,951	201,237	4.76%	43	215	75
2019–20	4,144,719	211,541	5.10%	52	247	100
2020-21	4,326,985	206,954	4.78%	53	258	100

Chart 18 displays the percentage of individuals employed who have made a donation through their organisations' workplace giving program and the average donation made in each financial year. While the average donation has slowly increased, the participation rate has remained within a tight range from a low of 4.65 per cent in 2011–12 to a high of 5.10 per cent in 2019–20. This year, 4.78 per cent of the eligible workforce participated in workplace giving.

Chart 18: Percentage using workplace giving and average amount donated, by year



[19] Source: Table 9: Individuals – workplace giving programs, 2020–21 income year, Australian Taxation Office (2023a) Taxation Statistics 2020–21.

Summary and Discussion

Based on the data extracted from Table 1 in the Appendix (comprising Charts 11 to 18), the analysis reveals that Australia's giving in 2020–21 was a mixed bag. The overall amount donated has increased to $4.39 billion. However, the percentage of taxpayers donating has returned to the downward trend that has been seen since 2010–11, falling to 27.71 per cent, the lowest percentage ever recorded and the third consecutive year where less than 30 per cent of taxpayers claimed a donation. The percentage of income, however, increased to 0.42 per cent. In 2020–21, the average donation increased to $1,047.27, while the median amount donated by individuals remained at $130.

Through workplace giving programs, the average donation was $258 while the median donation was $100.

3.2. Individual Taxpayer Donations by GENDER and AGE

Table 2 in the Appendix to this paper (which forms the basis of Charts 19 to 30) contains data relating to tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2020–21 income tax return, broken down by gender and age.

Chart 19: Total tax-deductible donations by gender, [20] reveals that in 2020–21, 2 million male taxpayers made and claimed tax-deductible donations to DGRs totalling $2.69 billion. This represented 61.20 per cent of all tax-deductible donations made and claimed in the year. A total of 2.19 million female taxpayers made and claimed tax-deductible donations to DGRs totalling $1.70 billion in 2020–21. This represented 38.80 per cent of all tax-deductible donations made and claimed in 2020–21.

Chart 19: Total tax-deductible donations by gender, 2020–21

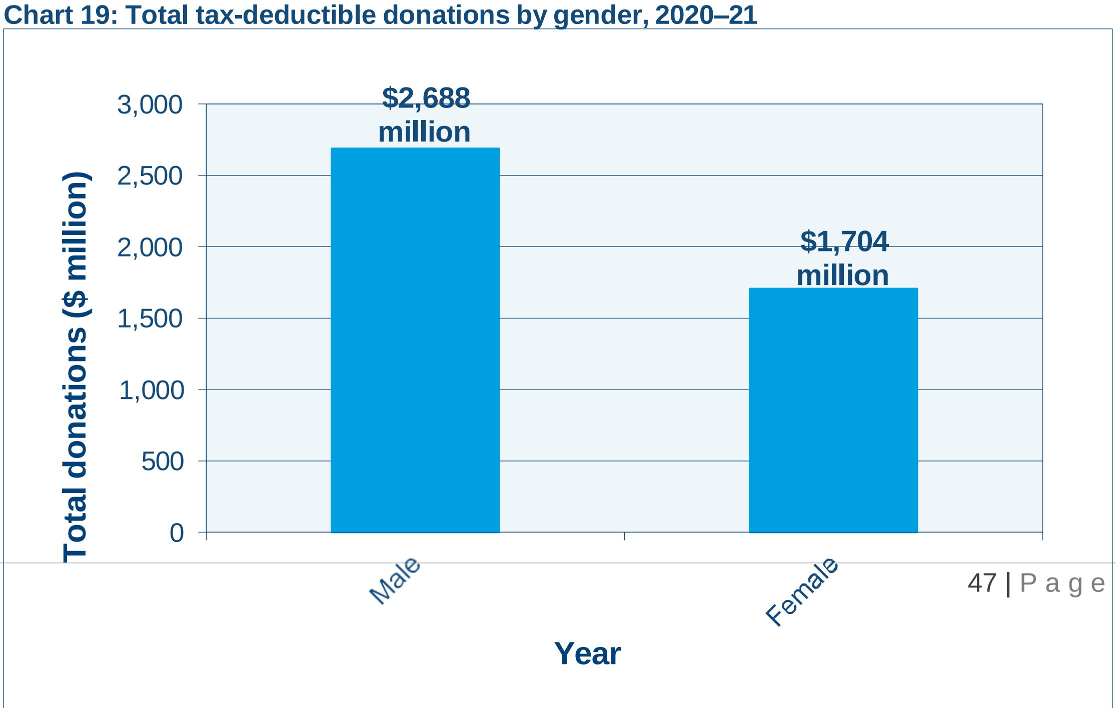
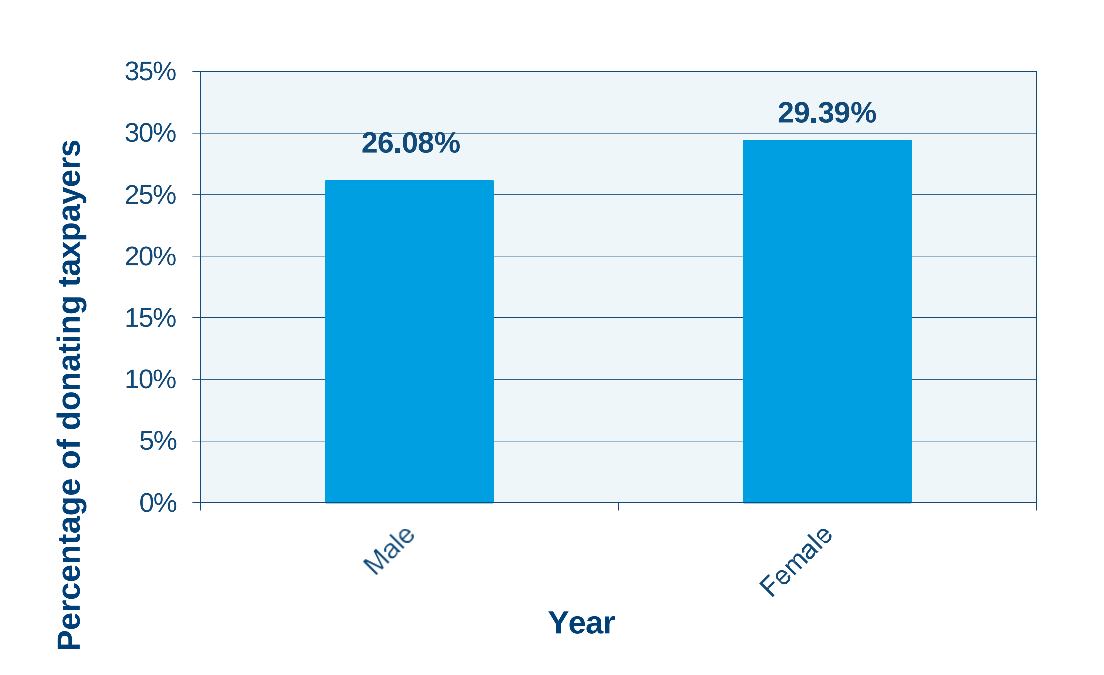


Chart 20: Percentage of donating taxpayers to total taxpayers by gender, reveals that 29.39 per cent of female taxpayers and 26.08 per cent of male taxpayers claimed tax-deductible donations to DGRs in 2020–21. The combined average was 27.71 per cent.

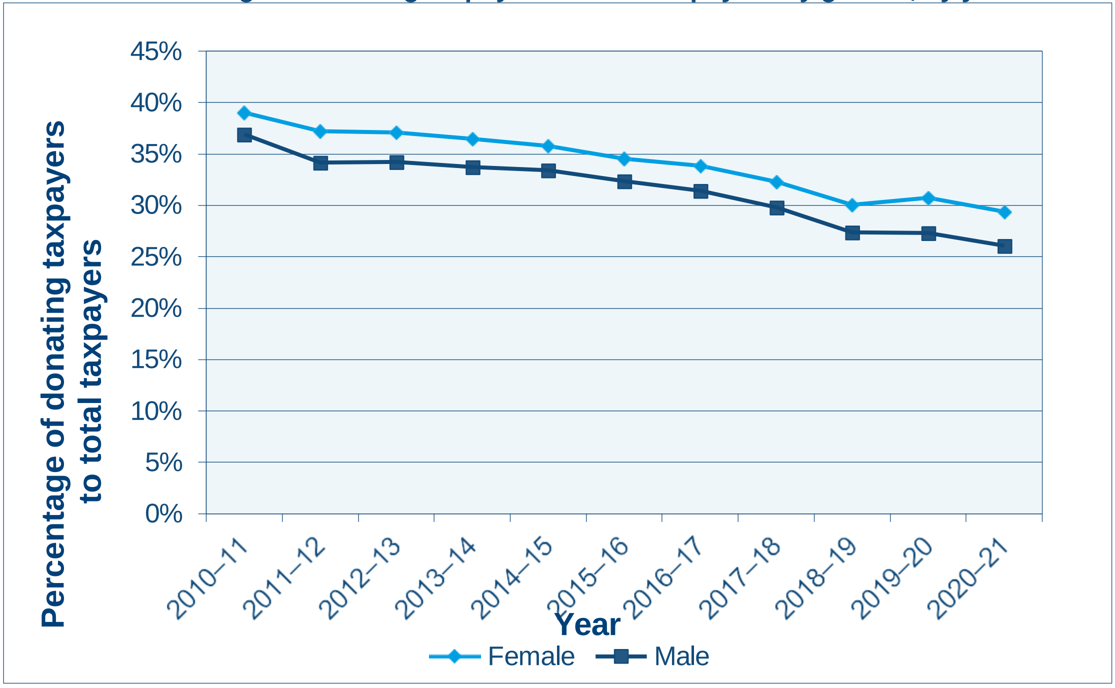
Chart 20: Percentage of donating taxpayers to total taxpayers by gender, 2020–21



This has dropped around 4.5 per cent for both genders since 2019–20 (from 30.73 per cent for female taxpayers and 27.33 per cent for male taxpayers). This is the lowest percentage ever recorded as continues the downward trend that has been evident since 2010–11. (see Chart 21).

[20] Please note, the data displayed is for people nominating their gender as either male or female. Data for people identifying their gender as 'other' is not displayed.

Chart 21: Percentage of donating taxpayers to total taxpayers by gender, by year



The average tax-deductible donation made to DGRs and claimed in 2020–21 by male taxpayers was $1,343.48 (an increase of 23.31 per cent from $1,046.86 in 2019–20). The average tax-deductible donation for female taxpayers was $777.06 (a modest increase of 2.26 per cent from $738.93 in 2019–20) (see Chart 22) Chart 23 tracks this over the last decade and shows that male taxpayers consistently claim a larger average donation than female taxpayers.

Chart 22: Average tax-deductible donation by gender, 2020–21

Chart 23: Average tax-deductible donations by gender, by year

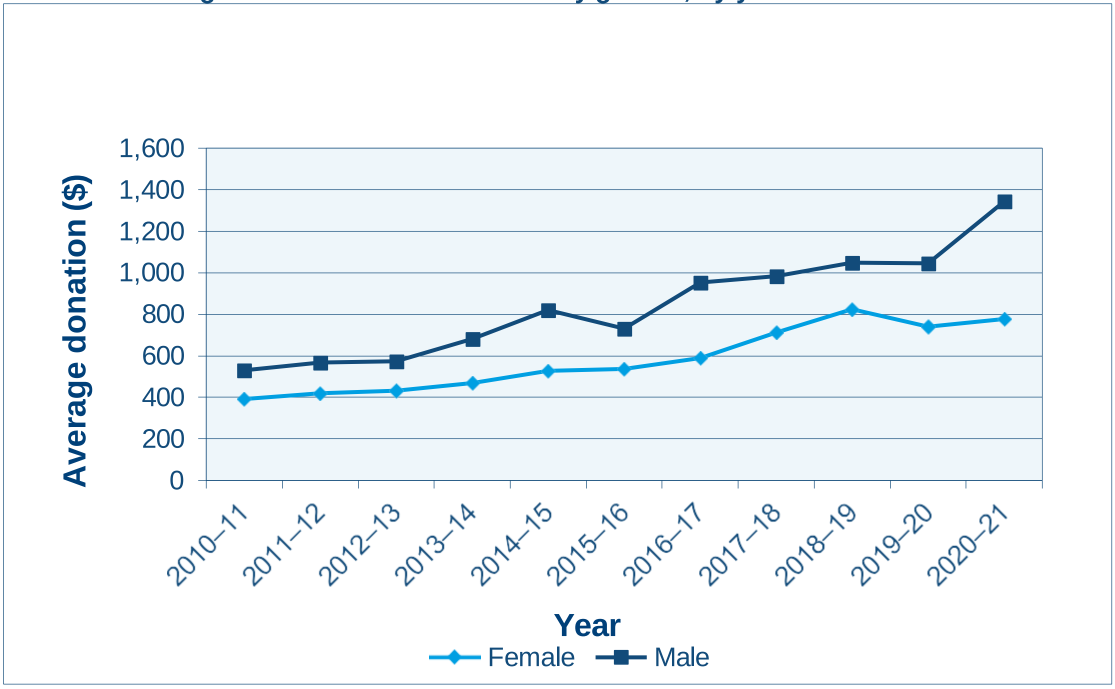


Chart 24 graphs the amount donated relative to the taxpayers' taxable income. The chart reveals that in 2020–21, on average, female taxpayers who made donations to DGRs claimed 0.40 per cent of their taxable income, a decrease from 0.43 per cent in 2019–20. Male taxpayers claimed 0.44 per cent of their taxable income in tax-deductible donations (an increase from 0.38 per cent in 2019–20).

Chart 25 tracks this pattern since 2010–11 and shows that, except for 2016–17, this year is the only year where male taxpayers donated more of their income than female taxpayers.

Chart 24: Tax-deductible donations as a percentage of taxable income by gender, 2020–21

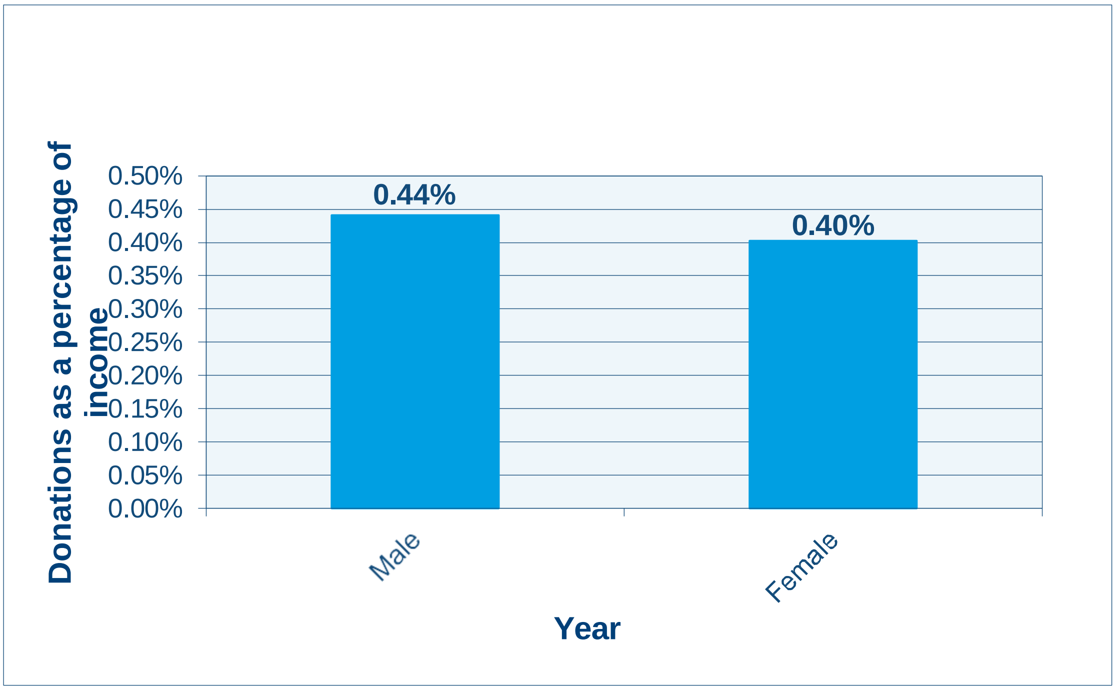


Chart 25: Tax-deductible donations as a percentage of taxable income by gender, by year

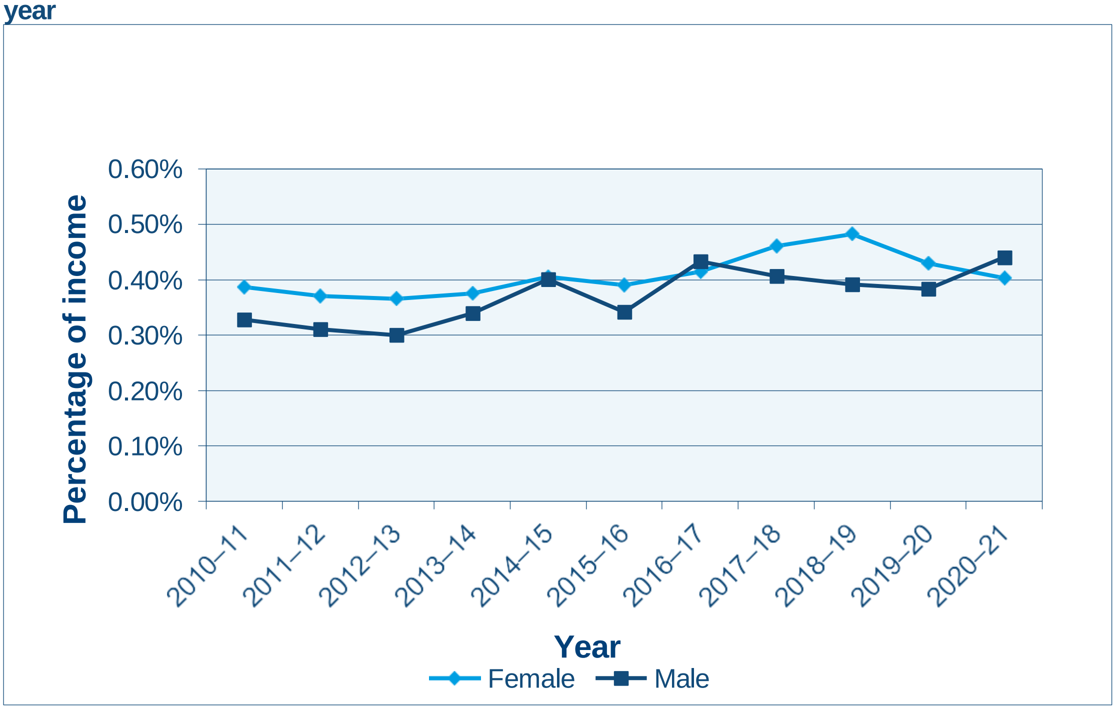


Table 3 in the Appendix provides the breakdown of gift deductions by age and gender. For the third time, claimants aged 55–59 years donated the largest percentage of the national total (14.25 per cent). They also had the largest percentage of donating taxpayers to total taxpayers (34.05 per cent). Claimants in this age group donated an average of $1,482.08 in 2020–21, compared to the national average of $1,047.27. This is a decrease of 23.66 per cent from $1,941.50 the previous year.

Those claimants aged 75 years and over donated the second largest percentage of the national total (13.76 percent). Their average gift ($4,331.22) was well above the average for all age groups ($1,047.27). The total value of gifts from this age group was $604.40 million.

Chart 26 reveals that the average tax-deductible donation claimed in 2020–21 by both male and female taxpayers generally increases with age. This chart indicates that in 2020–21, males aged 75 years and over had the highest average tax-deductible donation ($5,464.99) of all age brackets, followed by males aged 70–74 years ($4,186.13).

Chart 26: Average tax-deductible donations by age and gender, 2020–21

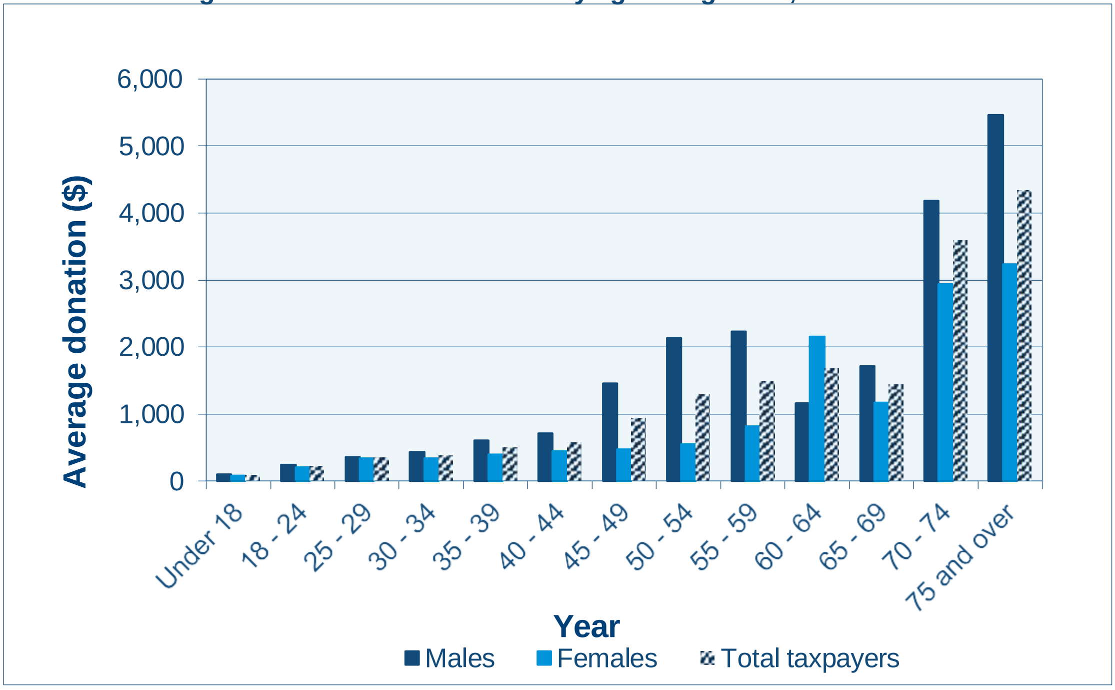


Chart 27 displays the average difference between males and females in each age group in 2020–21. Males have a higher average donation than females for every age group except in the 60–64-year age group.

Chart 27: Average donation difference between males and females by age group, 2020–21

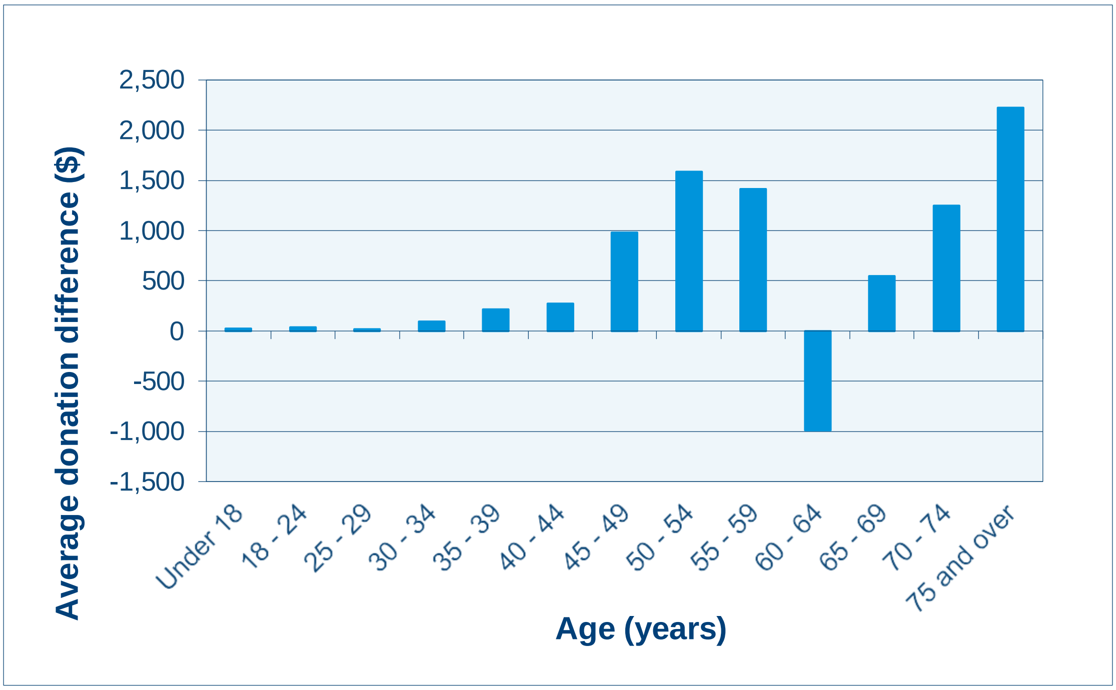


Chart 28 displays the average difference in donations between males and females across all age groups from 2011–12 to 2020–21 compared to the difference in average taxable income. In 2020–21, this difference was $566.41 (up 83.94 per cent per cent from $307.93 the previous year). By contrast, the difference in average taxable income increased by 4.70 per cent from the previous year (to be $22,784).

Chart 28: Difference in average amount donated between males and females compared to difference in average taxable income, 2010–16 to 2020–21

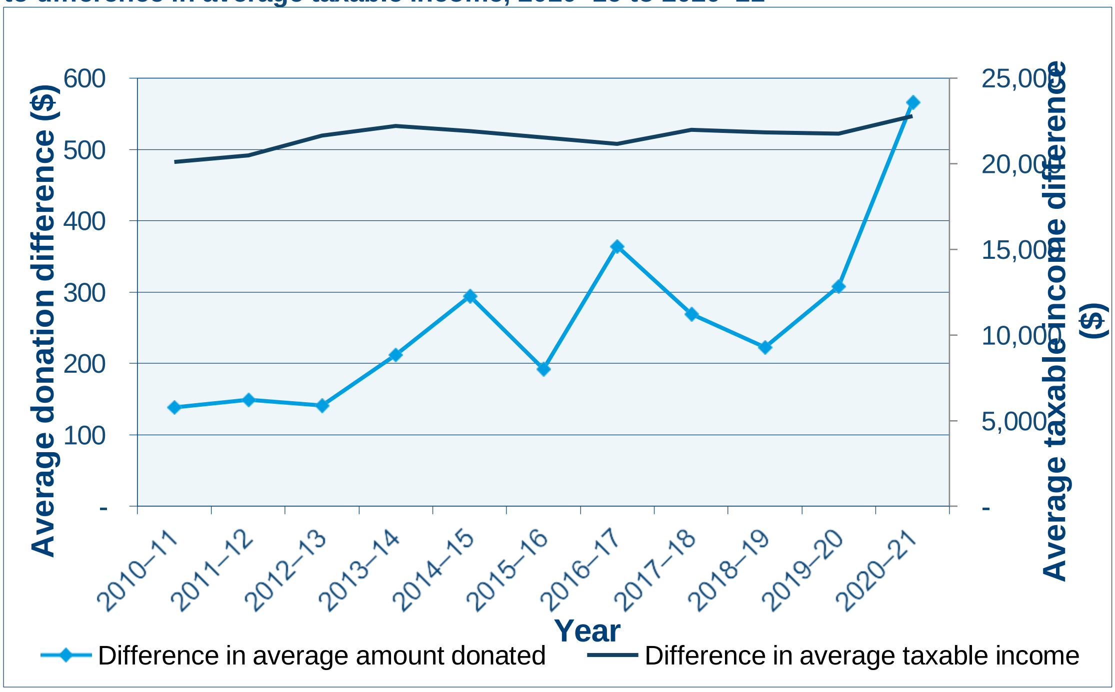


Chart 29 reveals that the total amount claimed in 2020–21 by male and female taxpayers generally increases with age but sharply decreases at 60–64 years for males and 65–69 for females (commonly retirement age) then steadily rises again with another spike in the 75 years and over age bracket. This trend is consistent with previous years.

Chart 29: total tax-deductible donations by age and gender, 2020–21

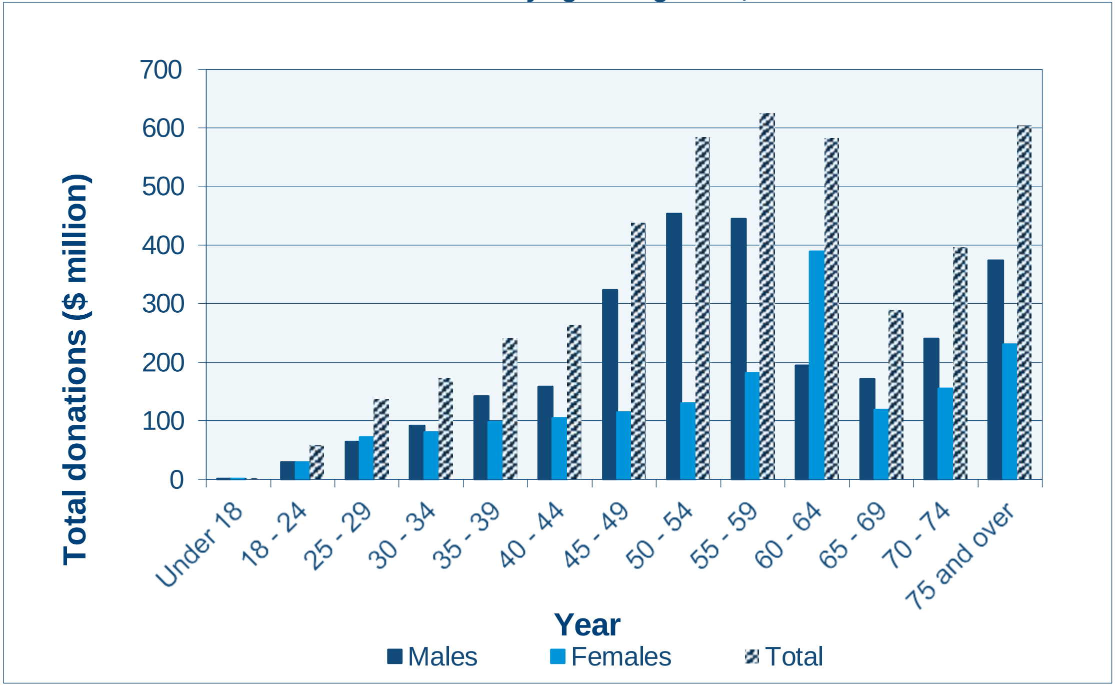
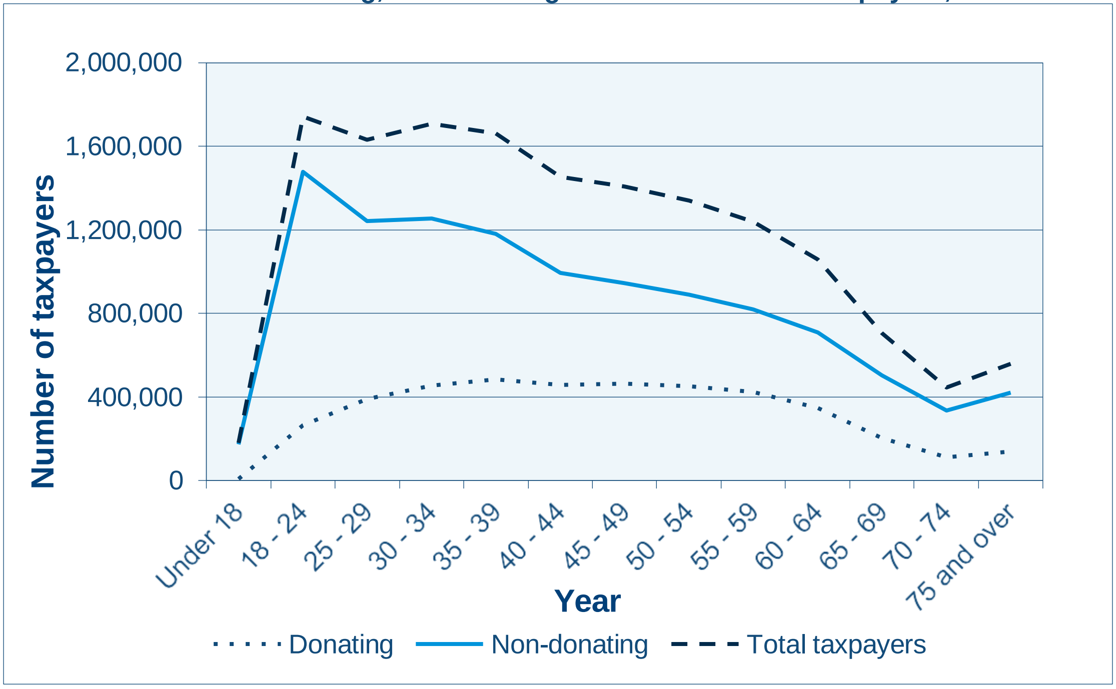


Chart 30 reveals that the number of total taxpayers is highest in the 18–24 years age bracket. Apart from those under 18, this age bracket has the lowest percentage of donating taxpayers with only 15.18 per cent donating compared to the national average of 27.71 per cent. Those aged 35–39 years had the highest number of donating taxpayers, but those aged 55–59 years had the highest percentage of donors, compared to non-donors (34.05 per cent).

Chart 30: Number of donating, non-donating and total number of taxpayers, 2020–21



Summary and Discussion

Based on the data extracted from Table 2 in the Appendix (forming the basis of Charts 19 to 30), the analysis reveals that there are some differences in tax-deductible giving by gender. Male taxpayers in 2020–21 donated more in monetary terms than female taxpayers (both in terms of total and average tax-deductible donations). For the third time this decade, males donated more as a percentage of their respective taxable incomes, 0.44 per cent of their income, compared to 0.40 per cent for females. In terms of donating taxpayers as a percentage of total taxpayers expressed by gender, more females claimed a tax-deductible donation (29.39 per cent) compared to males (26.08 per cent). The combined average was 27.71 per cent.

In terms of age, generally the amount donated increases with age apart from a drop at the point of retirement. The age bracket 55–59 years had the greatest percentage of donors (34.05 per cent) while only 24.94 per cent of people aged 75 years and over claimed deductions for donations.

3.3. Individual Taxpayer Donations by STATE or TERRITORY OF RESIDENCE

Table 4 in the Appendix to this paper (which forms the basis of Charts 31 to 36) contains data relating to the amount donated to DGRs and claimed by individual taxpayers in their 2020–21 income tax returns according to their State or Territory of residence.[21]

Chart 31 reveals that 34.27 per cent of total taxpayers in the **Australian Capital Territory** claimed tax-deductible donations in 2020–21, once again the highest of all states and territories (although it has dropped from 35.98 per cent in 2019–20). In **Victoria**, 30.26 per cent of taxpayers claimed tax-deductible donations, followed by the **New South Wales** with 28.24 per cent. **Queensland** was the lowest at 25.42 per cent. The national average was 27.71 per cent (a decrease from 2019–20 where 29 per cent of taxpayers claimed a tax-deductible gift).

Chart 31: Percentage of donating taxpayers to total taxpayers by State or Territory of residence, 2020–21

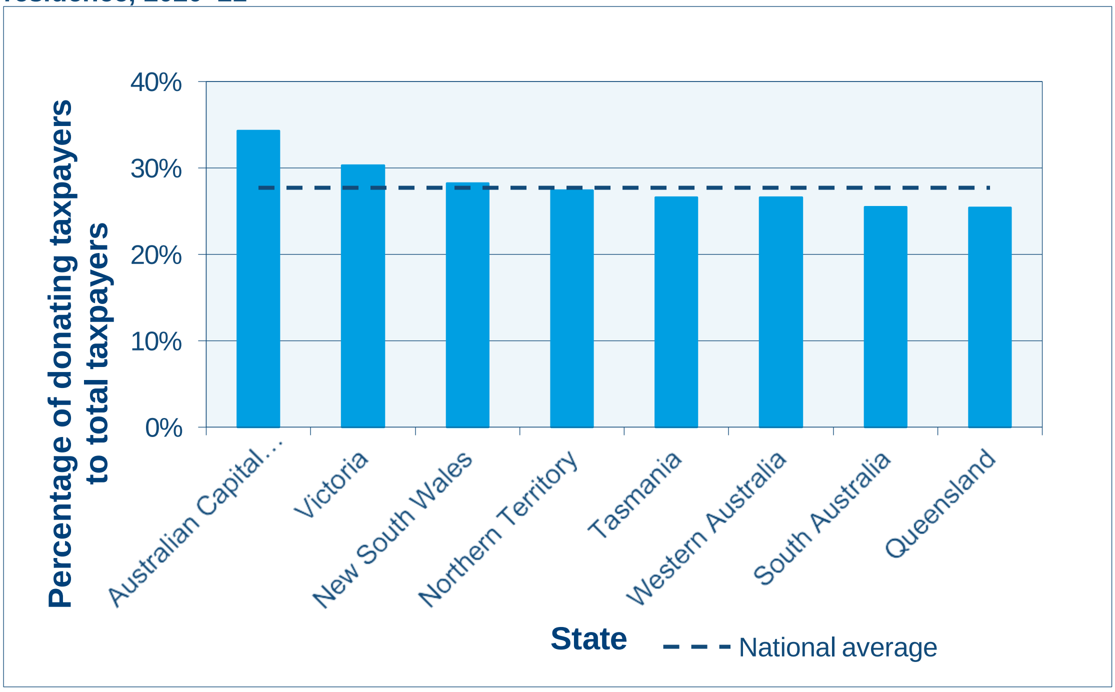
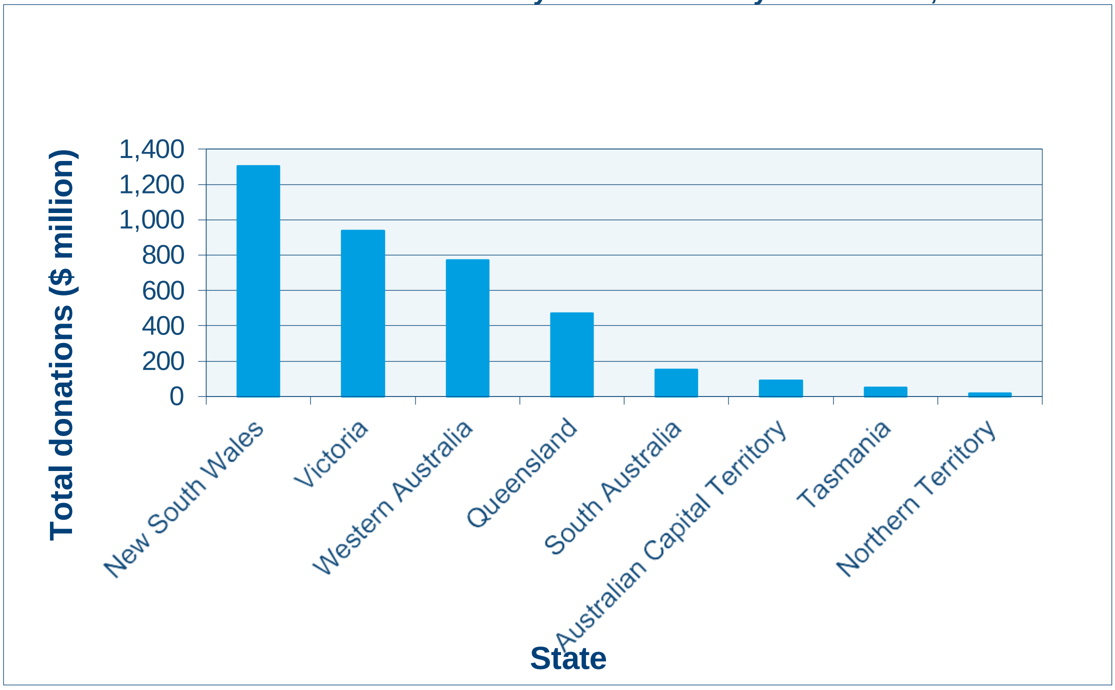


Chart 32 reveals that in 2020–21, **New South Wales** taxpayers claimed the highest total value of tax-deductible donations to DGRs ($1.39 billion). This is consistent with previous

[21] Taxpayers who are living overseas and those who did not state their residential postcode on their tax return are not included in these figures.

years. **Victoria** had the biggest increase in donations from the previous year – up 47.20 per cent to $1.38 billion. In 2019–20 donations reached $936 million for the state.

Chart 32: Total tax-deductible donations by State or Territory of residence, 2020–21



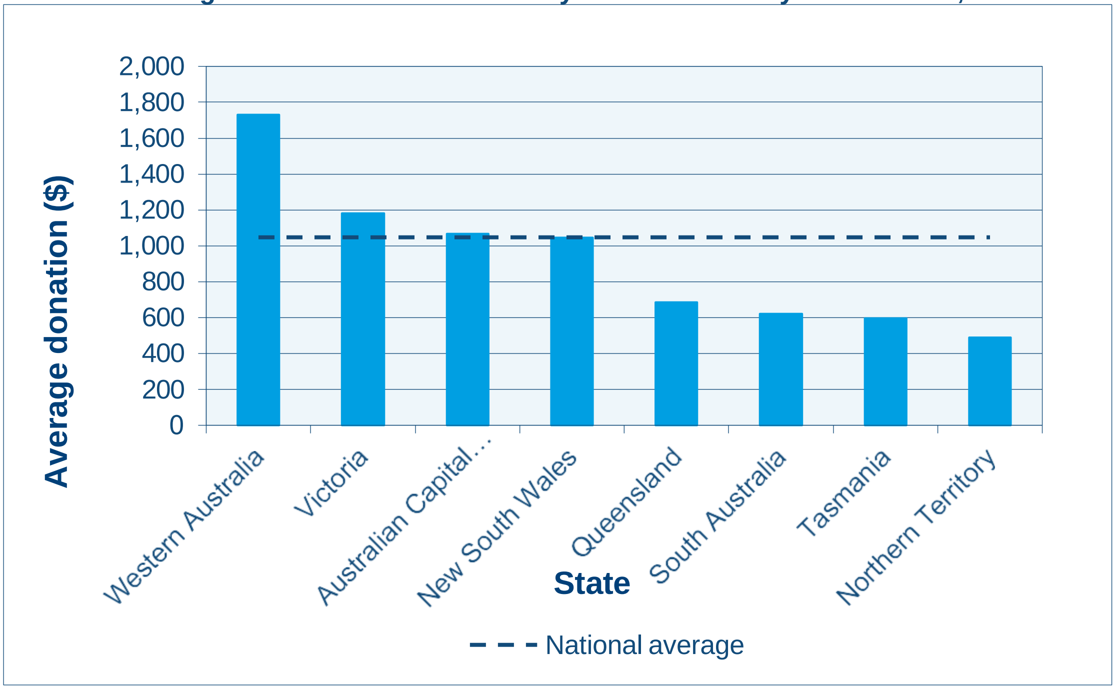
In 2020–21, a total of $1.39 billion was donated and claimed by 1,324,397 taxpayers in **New South Wales**. This amount represented 31.53 per cent of the national total claimed and is a 6 per cent increase from $1.30 billion claimed in 2019–20.

The next largest donor state was **Victoria** with 1,167,225 taxpayers claiming tax-deductible donations totalling $1.38 billion million, representing 31.37 per cent of the national total.

Overall, 432,246 **Western Australian** taxpayers donated a total of $748 million (representing 17.02 per cent of the national total). This is a decrease of 3.11 per cent from $771 million in 2019–20. Together, these three states (**NSW, VIC, and WA**) accounted for 79.9 per cent of total tax-deductible donations made to DGRs in 2020–21.

In terms of average tax-deductible donations per state, Chart 33 reveals that, once again, residents in **Western Australia** made and claimed the largest average tax-deductible donation of $1,729.42. However, this was a decrease of 4.69 per cent from 2019–20 where the average tax-deductible donation in **Western Australia** was $1,814.50.

Chart 33: Average tax-deductible donation by State or Territory of residence, 2020–21



This was then followed by the taxpayers living in **Victoria** ($1,180.41), the **Australian Capital Territory** ($1,065.18) and **New South Wales ($1,045.55).**

Taxpayers from the **Northern Territory** and Tasmania had the lowest average tax-deductible donations at $490.54 and $597.82, respectively. The national average for tax-deductible donations made to DGRs was $1,047.27 (an increase of 18.10 per cent from $886.75 for the previous financial year).

Chart 34 displays the median donation claimed by taxpayers in each state and territory. Those in the **Australian Capital Territory** had the greatest median donation of $240 (up from $198 in 2019–20), while those in **New South Wales** had a median donation of $150. The median donation for **Victoria**, **Western Australia** and **South Australia** was$120 with **Queensland** ($106) and **Tasmania** ($100) once again having the lowest median donations.

Chart 34: Median tax-deductible donation by State or Territory of residence, 2020–21

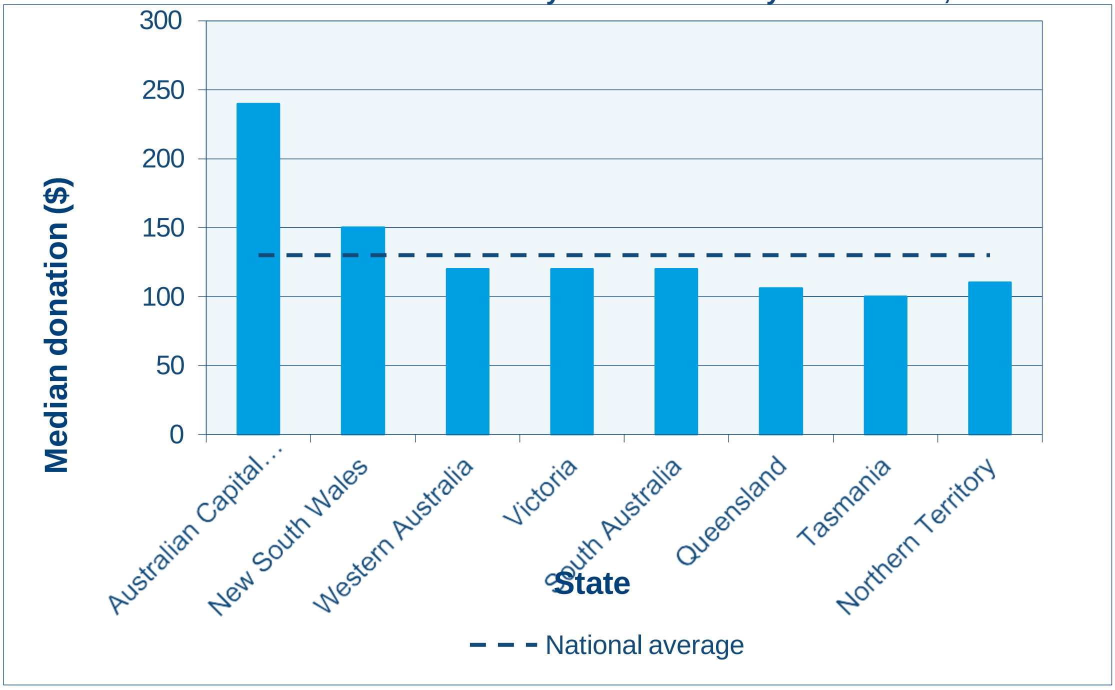


Chart 35 graphs the amount donated relative to the taxable income of taxpayers across each state for the 2020–21 financial year.

Chart 35: Tax-deductible donations as a percentage of taxable income by State or Territory of residence, 2020–21

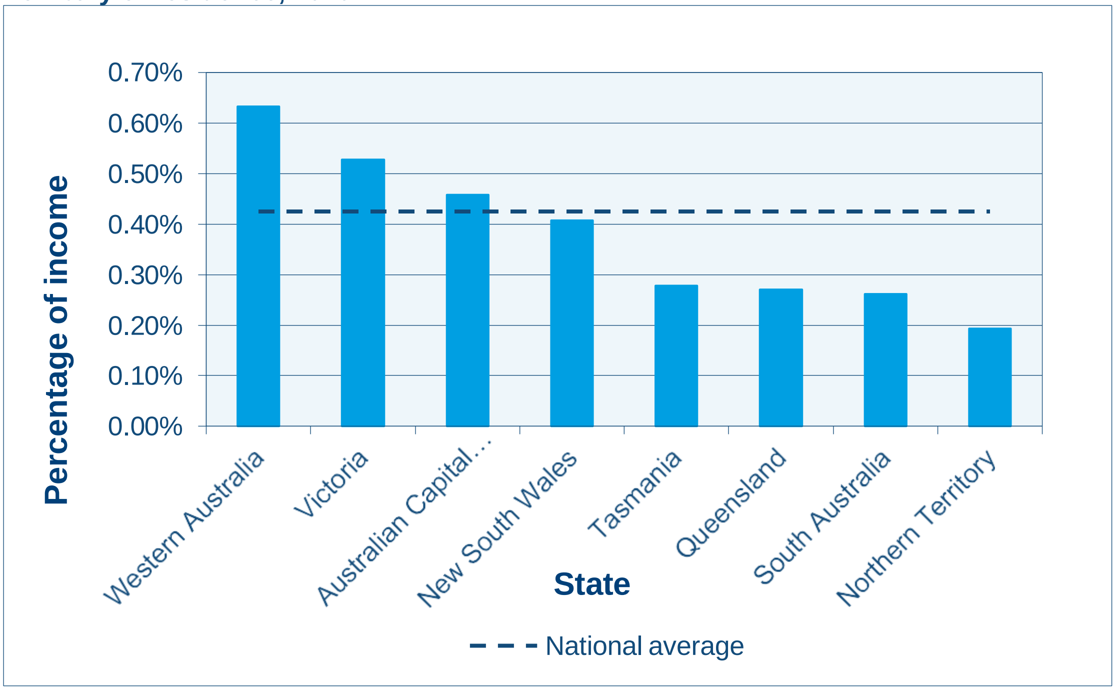
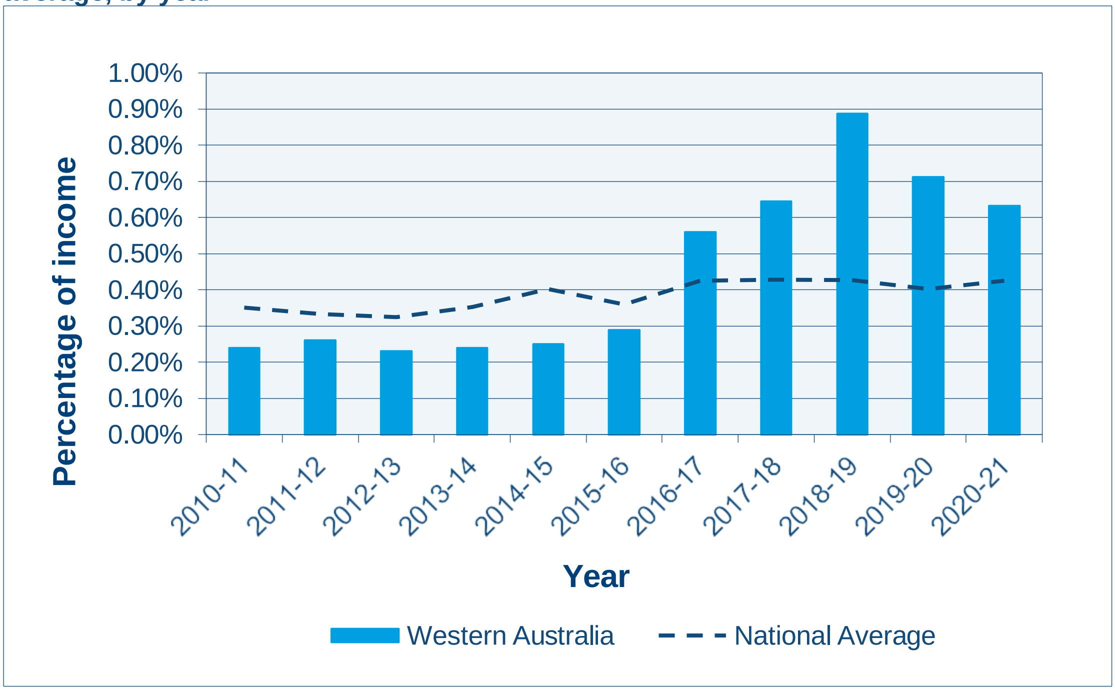


Chart 35 reveals that in 2020–21, taxpayers from **Western Australia** collectively donated 0.63 per cent of their combined taxable income (a decrease from 0.71 per cent in 2019–20). This was followed by taxpayers in **Victoria (0.53 per cent) and the Australian Capital Territory (0.46 per cent).** The national average was 0.42 per cent (up from 0.40 per cent recorded in both 2017–18 and 2019–20).

Chart 36 examines, in closer detail, the Western Australian donations as a percentage of taxable income over the past ten years. It highlights that prior to 2016–17, Western Australians were donating below the national average, but this has jumped significantly over the past five years to be well above the national average.

Chart 36: Donations as a percentage of income, Western Australia compared to national average, by year



Some 66.84 per cent of total donations in Western Australia came from the postal code **WA 6011 (Cottesloe, Peppermint Grove)**. When data for this postcode are removed from the Western Australian figures, the average donation and donations as a percentage of taxable income come down significantly and are lower than the national average (see Table 8). Table 8 shows that both WA state and national data are significantly influenced by the donations of taxpayers in WA 6011.

Table 8: Donations from postcode WA 6011 compared to WA total, 2020–21

Postcode & State(s)	No. of gifting taxpayers	Total value of gifts ($ million)	Percentage donating	Donations as a percentage of taxable Income	Average tax-deductible donation
WA Total	432,246	747.54	26.59%	0.63%	1,729.42
WA 6011	1,939	499.63	29.17%	32.70%	257,676.13
WA Total (Without WA 6011)	430,307	247.90	26.58%	0.21%	576.11
Australia Total	4,337,321	3,846.12	29.00%	0.40%	886.75
Australia Total (without WA 6011)	4,335,382	3,346.49	29.00%	0.35%	771.90

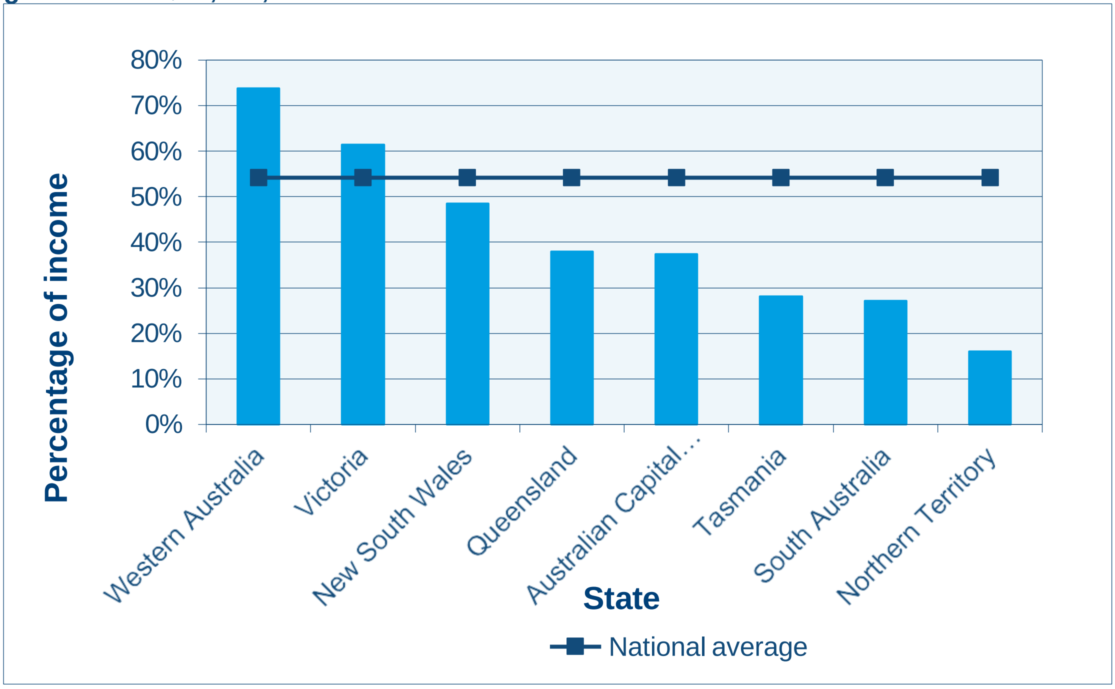
Value of Gifts Claimed by State and Territory

The ATO also provides information on the number by value of gifts claimed by donating taxpayers in each State and Territory. This provides an indication of the level of giving by dollar value across States and Territories in 2020–21.

In all States and Territories, the most common gift value was between $251 and $1,000, contributing between 22.75 per cent (in **Tasmania**) and 32.15 per cent (in **Australian Capital Territory**) of the total number of donations claimed.

While fewer in number (ranging from 0.06 per cent to 0.26 per cent of all donations), those who claimed gifts valued at more than $25,000 made up the largest contributions to the total amount donated in each state except the **Northern Territory**. Donations by these individuals ranged from 16.10% of the total amount claimed in the **Northern Territory** to 73.87 per cent of the total amount donated in **Western Australia** (just 620 people gave donations totalling $552 million, an average donation of $890,658). In **Victoria**, 61.49 per cent of the total amount donated in the state came from these donors, while in **New South Wales**, 48.51 per cent came from these donations (see Chart 37).

Chart 37: Percentage of total amount donated in each State/Territory by gifts that were greater than $25,000, 2020–21



Data on the number and value of gifts for each State and Territory is shown in Tables 9–16.

Table 9: Number and value of gifts claimed by taxpayers in New South Wales, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	180,784	13.65%	2,468,992	0.18%
$26 to $50	160,415	12.11%	7,023,820	0.51%
$51 to $100	200,572	15.14%	16,378,817	1.18%
$101 to $250	284,796	21.50%	48,741,607	3.52%
$251 to $1,000	347,364	26.23%	179,174,516	12.94%
$1,001 to $5,000	125,504	9.48%	253,160,980	18.28%
$5,001 to $10,000	14,336	1.08%	98,977,287	7.15%
$10,001 to $25,000	7,171	0.54%	107,016,267	7.73%
More than $25,000	3,455	0.26%	671,785,811	48.51%
Total	1,324,397	100%	1,384,728,097	100%

Table 10: Number and value of gifts claimed by taxpayers in Victoria, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	184,496	15.81%	2,623,091	0.19%
$26 to $50	174,639	14.96%	7,716,921	0.56%
$51 to $100	192,242	16.47%	16,048,725	1.16%
$101 to $250	242,693	20.79%	41,798,235	3.03%
$251 to $1,000	265,335	22.73%	135,512,644	9.84%
$1,001 to $5,000	89,945	7.71%	180,811,366	13.12%
$5,001 to $10,000	10,403	0.89%	71,585,976	5.20%
$10,001 to $25,000	4,988	0.43%	74,525,211	5.41%
More than $25,000	2,484	0.21%	847,184,846	61.49%
Total	1,167,225	100%	1,377,807,015	100%

Table 11: Number and value of gifts claimed by taxpayers in Queensland, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	153,540	19.78%	2,118,204	0.40%
$26 to $50	110,289	14.21%	4,776,577	0.90%
$51 to $100	116,002	14.94%	9,378,249	1.77%
$101 to $250	150,605	19.40%	25,741,526	4.85%
$251 to $1,000	180,396	23.24%	91,006,230	17.13%
$1,001 to $5,000	55,191	7.11%	110,775,377	20.85%
$5,001 to $10,000	6,402	0.82%	44,095,771	8.30%
$10,001 to $25,000	2,816	0.36%	41,459,847	7.80%
More than $25,000	1,070	0.14%	201,844,773	38.00%
Total	776,311	100%	531,196,554	100%

Table 12: Number and value of gifts claimed by taxpayers in South Australia, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	46,914	17.79%	667,568	0.41%
$26 to $50	37,763	14.32%	1,625,128	0.99%
$51 to $100	39,978	15.16%	3,212,002	1.96%
$101 to $250	51,212	19.42%	8,697,945	5.30%
$251 to $1,000	63,233	23.98%	32,447,867	19.78%
$1,001 to $5,000	20,805	7.89%	41,369,363	25.22%
$5,001 to $10,000	2,324	0.88%	15,962,312	9.73%
$10,001 to $25,000	1,058	0.40%	15,603,941	9.51%
More than $25,000	411	0.16%	44,476,278	27.11%
Total	263,698	100%	164,062,404	100%

Table 13: Number and value of gifts claimed by taxpayers in Western Australia, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	85,161	19.70%	1,106,131	0.15%
$26 to $50	56,315	13.03%	2,462,471	0.33%
$51 to $100	62,474	14.45%	5,242,965	0.70%
$101 to $250	82,474	19.08%	14,279,341	1.91%
$251 to $1,000	105,503	24.41%	54,091,455	7.24%
$1,001 to $5,000	34,465	7.97%	68,092,000	9.11%
$5,001 to $10,000	3,474	0.80%	24,064,958	3.22%
$10,001 to $25,000	1,760	0.41%	25,989,040	3.48%
More than $25,000	620	0.14%	552,208,122	73.87%
Total	432,246	100%	747,536,483	100%

Table 14: Number and value of gifts claimed by taxpayers in Tasmania, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	18,673	21.81%	261,022	0.51%
$26 to $50	12,318	14.38%	537,662	1.05%
$51 to $100	12,029	14.05%	975,910	1.91%
$101 to $250	15,426	18.01%	2,623,730	5.13%
$251 to $1,000	19,479	22.75%	10,004,210	19.54%
$1,001 to $5,000	6,527	7.62%	12,819,004	25.04%
$5,001 to $10,000	732	0.85%	5,004,798	9.78%
$10,001 to $25,000	314	0.37%	4,565,446	8.92%
More than $25,000	135	0.16%	14,401,288	28.13%
Total	85,633	100%	51,193,070	100%

Table 15: Number and value of gifts claimed by taxpayers in Australian Capital Territory, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	10,932	10.82%	154,135	0.14%
$26 to $50	10,145	10.04%	437,416	0.41%
$51 to $100	12,212	12.08%	985,102	0.92%
$101 to $250	19,424	19.22%	3,345,432	3.11%
$251 to $1,000	32,488	32.15%	17,414,206	16.18%
$1,001 to $5,000	13,717	13.57%	27,159,328	25.23%
$5,001 to $10,000	1,338	1.32%	9,178,834	8.53%
$10,001 to $25,000	596	0.59%	8,731,265	8.11%
More than $25,000	204	0.20%	40,237,155	37.38%
Total	101,056	100%	107,642,873	100%

Table 16: Number and value of gifts claimed by taxpayers in Northern Territory, 2020–21

Value of deductible gifts	No. of donating taxpayers	Percentage of total donating taxpayers	Total value of gifts ($)	Percentage of total value of gifts
$1 to $25	7,531	20.93%	97,010	0.55%
$26 to $50	4,815	13.38%	213,673	1.21%
$51 to $100	5,249	14.59%	439,801	2.49%
$101 to $250	6,809	18.92%	1,182,550	6.70%
$251 to $1,000	8,451	23.49%	4,314,484	24.45%
$1,001 to $5,000	2,741	7.62%	5,308,274	30.08%
$5,001 to $10,000	252	0.70%	1,711,347	9.70%
$10,001 to $25,000	110	0.31%	1,540,241	8.73%
More than $25,000	21	0.06%	2,841,908	16.10%
Total	35,979	100%	17,649,288	100%

Summary and Discussion

Based on the data extracted from Table 3 in the Appendix (comprising Charts 31 to 37 and Tables 9 to 16), our analysis reveals that **New South Wales** taxpayers made and claimed the largest amount of tax-deductible donations to DGRs in 2020–21 ($1.39 billion), closely followed by taxpayers in Victoria ($1.38 billion). Taxpayers from **Western Australia** made the highest average tax-deductible donation to DGRs ($1,729.42) and donated the highest amount as a percentage of their income (0.63 per cent), but this was primarily due to the influence of taxpayers in one postal code **(WA 6011, Cottesloe, Peppermint Grove)**. Taxpayers residing in the **Australian Capital Territory** had the highest percentage of taxpayers claiming a tax-deductible gift (34.27 per cent). The largest median donation was made by those in the **Australian Capital Territory** ($240), followed at a distance by those in **New South Wales** ($150). The median amount claimed nationally was $130.

3.4. Individual Taxpayer Donations by POSTCODE OF RESIDENCE

The ATO has, once again, provided information that allows us to drill down beyond the state of residence to examine the postcode of residence for taxpayers who claimed a tax-deductible gift. A search tool for all Australian postcodes which will retrieve all the relevant deductible gift data for the years 2005–06 to 2020–21 is available from the ACPNS website: https://research.qut.edu.au/australian-centre-for-philanthropy-and-nonprofit-studies/resources/giving-statistics/

Table 6 in the Appendix (which forms the basis for Tables 17 to 20 in this working paper) lists the top five postcodes in each state by highest total claimed gifts.[22] There appears to be a relationship between the income of the taxpayers in each postcode and the total of the postcode's total tax-deductible gifts claimed.

The postcode with the highest total gifts claimed in 2020–21 was **WA 6011 (Cottesloe, Peppermint Grove)** which recorded $499,634,018 (see Table 17). This is a decrease of 5.67 per cent from the $529,668,459 claimed in 2019–20 and accounted for 66.84 per cent of total donations in Western Australia.

Table 17: Postcode with the highest total gifts claimed by taxpayers for each State and Territory, 2020–21

State & postcode		Places within postcode	Total gifts claimed $
WA	6011	Cottesloe, Peppermint Grove	499,634,018
VIC	3068	Clifton Hill, Fitzroy North	276,725,793
NSW	2030	Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay	75,830,855
QLD	4105	Moorooka, Tennyson, Yeerongpilly	35,015,659
ACT	2603	Forrest, Griffith, Manuka, Red Hill	13,215,677
SA	5061	Hyde Park, Malvern, Unley, Unley Park	7,082,370
TAS	7250	Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Trevallyn, Travellers Rest, Waverley, West Launceston,	5,151,027
NT	0810	Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri	2,941,898

New South Wales, Victoria, Queensland, and **South Australia** saw shifts from the previous year in the postcode that claimed the highest total of tax-deductible donations. Table 18 shows the changes that have occurred between 2018–19 and 2020–21 in each state and territory. **Western Australia, Tasmania, Northern Territory,** and the **Australian Capital Territory** have remained consistent over the past three years.

[22] Groups which include miscellaneous data including unknown/invalid postcodes were excluded as they do not refer to a specific postcode or region.

Table 18: Postcode with the highest total gifts claimed by taxpayers for each State and Territory, 2018–19, 2019–20, and 2020–21

	2018–19	2019–20	2020–21
NSW	**2008**	**2088**	**2030**
	Chippendale, Darlington	Mosman, Spit Junction	Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay
VIC	**3142**	**3142**	**3068**
	Hawksburn, Toorak	Hawksburn, Toorak	Clifton Hill, Fitzroy North
QLD	**4007**	**4101**	**4105**
	Ascot, Hamilton, Hamilton Central	Highgate hill, South Brisbane, South Brisbane BC, West End	Moorooka, Tennyson, Yeerongpilly
SA	**5067**	**5066**	**5061**
	Beulah Park, Kent Town, Norwood, Norwood South, Rose Park	Beaumont, Burnside, Erindale, Hazelwood Park, Stonyfell, Waterfall Gully, Wattle Park	Hyde Park, Malvern, Unley, Unley Park
WA	**6011**	**6011**	**6011**

	Cottesloe, Peppermint Grove	Cottesloe, Peppermint Grove	Cottesloe, Peppermint Grove
TAS	**7250**	**7250**	**7250**
	Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Trevallyn, Travellers Rest, Waverley, West Launceston	Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Trevallyn, Travellers Rest, Waverley, West Launceston	Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Trevallyn, Travellers Rest, Waverley, West Launceston,
NT	**0810**	**0810**	**810**
	Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri	Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri	Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri
ACT	**2603**	**2603**	**2603**
	Forrest, Griffith, Manuka, Red Hill	Forrest, Griffith, Manuka, Red Hill	Forrest, Griffith, Manuka, Red Hill

Table 19 identifies the postcode in each state whose taxpayers had the largest average deductible gift. This year, the postcode **WA 6011 (Cottesloe, Peppermint Grove)** recorded the highest average gift in the country at $257,676.13. This has dropped slightly from 2019–20 when the average gift in the postcode was $266,298.87. The average taxable income in this postcode was $229,805, while the median taxable income was $76,567 making this the postcode with the third highest income in in the country behind **Double Bay (NSW 2028)** with an average gift of $8,098 and **NSW 2030 (Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay)** with an average gift of $25,960 per gifting taxpayer.

In **Victoria**, the postcode **VIC 3068 (Clifton Hill, Fitzroy North)** recorded the highest average gift in the state with $58,038.13. This has increased substantially from $1,189.93 in 2019–20.

Table 19: Postcode with the highest average gift claimed by taxpayers for each State and Territory, 2020–21

State & postcode		Places within postcode	Average gift per gifting taxpayer
WA	6011	Cottesloe, Peppermint Grove	257,676.13
VIC	3068	Clifton Hill, Fitzroy North	58,038.13
NSW	2008	Chippendale, Darlington	30,552.74
TAS	7211	Cleveland, Conara, Epping Forest	17,472.56
NT	851	Katherine	15,896.30
QLD	4105	Moorooka, Tennyson, Yeerongpilly	13,364.76
SA	5137	Ashton, Marble Hill	7,487.21
ACT	2600	Barton, Canberra, Capital Hill, Deakin, Deakin West, Harman, HMAS Harman, Parkes, Russell, Yarralumla	5,389.12

Table 20 indicates the postcode in each state with the greatest participation rate by all taxpayers in that postcode. This does not appear to be obviously related to the income of taxpayers. For the first time in four years, the postcode with the highest participation rate has changed to **WA 6920 (North Beach)** where 77.72 per cent claimed a gift. Within the state, this was followed by **Joondalup DC (WA 6919)** which had been the leader previously (38.46 per cent). This has dropped from 68.89 per cent the previous year.

Table 20: Postcode with the highest percentage of taxpayers claiming a gift for each State and Territory, 2020–21

State & postcode		Places within postcode	Percentage of taxpayers claiming a gift
WA	6920	North Beach	77.72%
NSW	2661	Kapooka	44.70%
SA	5710	Stirling North	44.12%
VIC	3275	Mailors Flat	42.30%
TAS	7051	Kingston	41.35%
ACT	2605	Curtin, Garran, Hughes	39.63%
QLD	4743	Glenden, Suttor	37.35%
NT	0814	Nightcliff	34.58%

Summary and Discussion

Based on the data extracted from Table 6 in the Appendix (here Tables 17 to 20), the largest amount of tax-deductible donations to DGRs in 2020–21 both in total and on average came from the postcode **WA 6011 (Cottesloe, Peppermint Grove)**, while those in **WA 6920** (**North Beach)** had the highest percentage of taxpayers claiming a tax-deductible gift.

3.5. Individual Taxpayer Donations by INCOME BAND

Table 5 in the Appendix to this paper (which forms the basis of Charts 38 to 45) contains data relating to the tax-deductible donations claimed by individual Australian taxpayers in their 2020–21 income tax returns, according to income bands.

Chart 38 reveals that in 2020–21 individual Australian taxpayers with a taxable income over $1 million claimed $801 million in tax-deductible gifts, representing 18.24 per cent of the total amount claimed in 2020–21. This is a decrease of 15.96 per cent from 2019–20 when taxpayers in this band claimed $953 million in deductible donations (or 24.78 per cent of the national total). Those with a non-taxable income claimed $1.15 billion in tax-deductible gifts. This represented 26.12 per cent of the total amount claimed by individual Australian taxpayers in 2020–21 and is a large increase from the $411 million claimed in 2019–20.

Chart 38: Total tax-deductible donations by income band, 2020–21

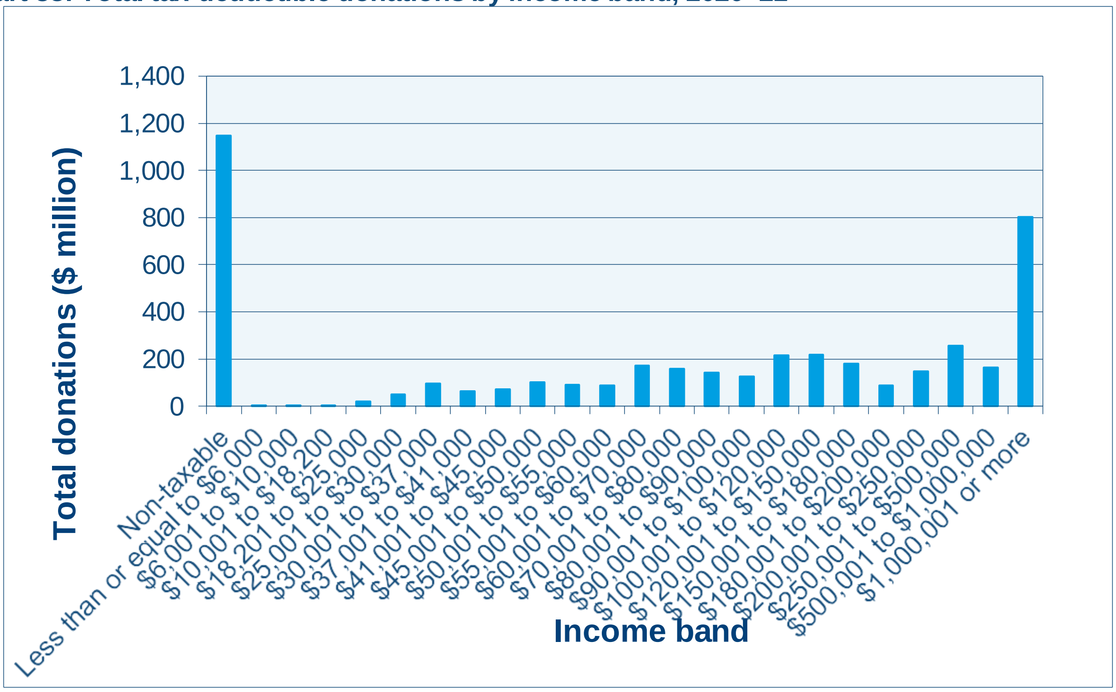


Chart 39 reveals that there is a smooth increasing trend from lower to higher income bands; with 6.32 per cent of taxpayers in the income band less than or equal to $6,000 claiming a gift, compared to 48.66 per cent for those with over $1 million in taxable income. This is the first time that less than half of those with a taxable income over $1 million have claimed a donation.

Chart 39: Percentage of donating taxpayers to total taxpayers by income band, 2020–21

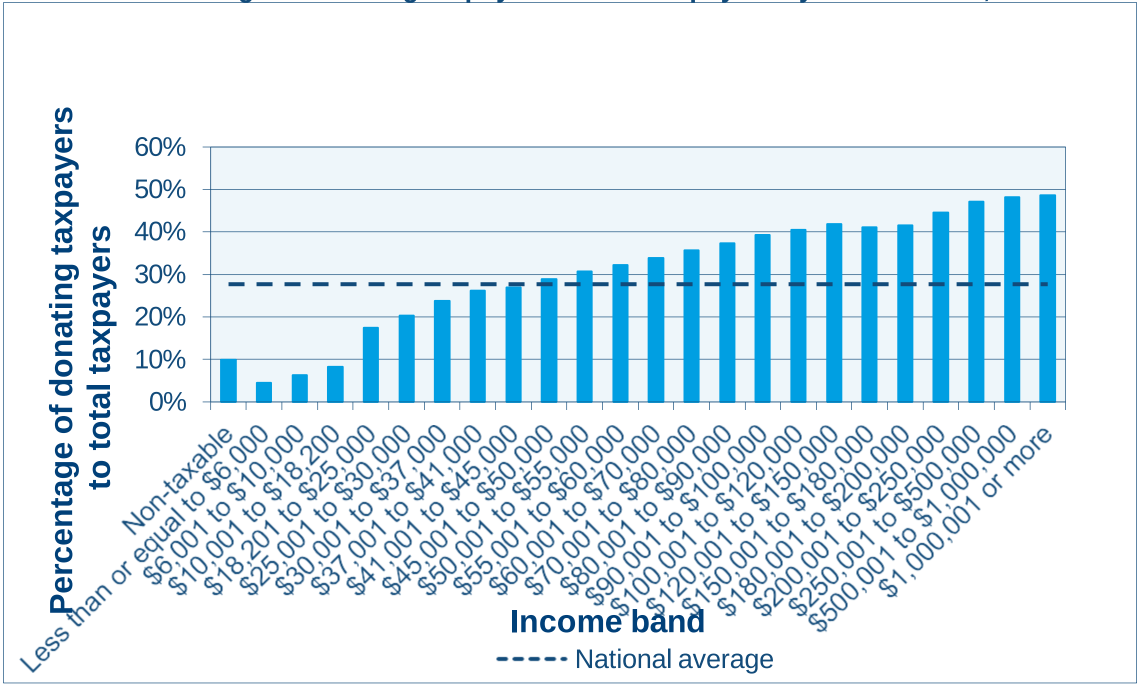


Chart 40 shows the percentage change over the decade from 2010–11 to 2020–21 in the ratio of donating taxpayers to total taxpayers. In every income bracket, the percentage claiming a tax-deductible donation has decreased significantly over the past ten years, with the gap narrowing as income increases. In 2010–11, on average 35.04 percent of taxpayers claimed a donation, and this rose to more than half of taxpayers earning over $60,000. However, by 2020–21 on average only 27.71 per cent of taxpayers claimed a donation and this figure did not rise above 50 per cent in any income bands.

Chart 40: Percentage change in ratio of donating taxpayers to total taxpayers between 2009–10 and 2020–21

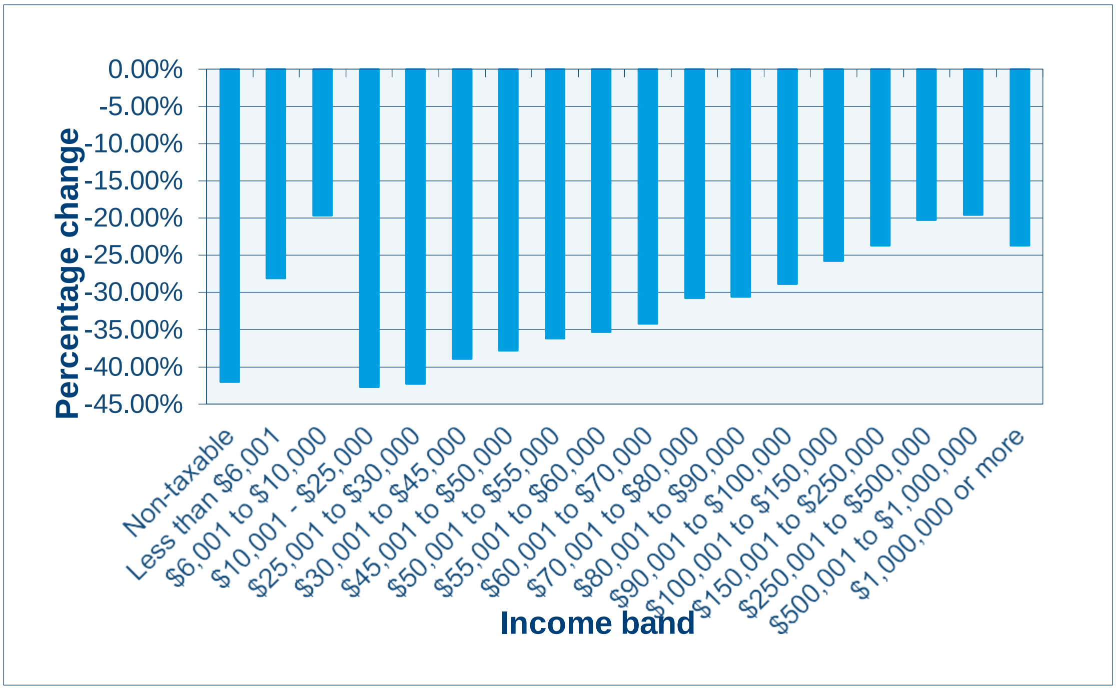
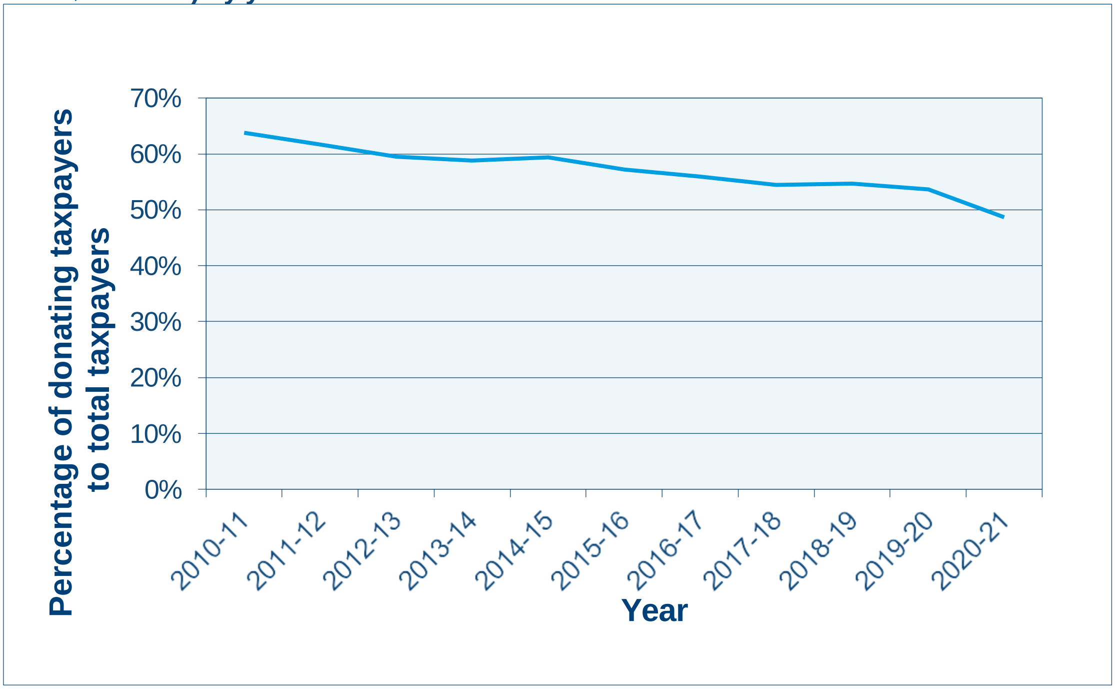


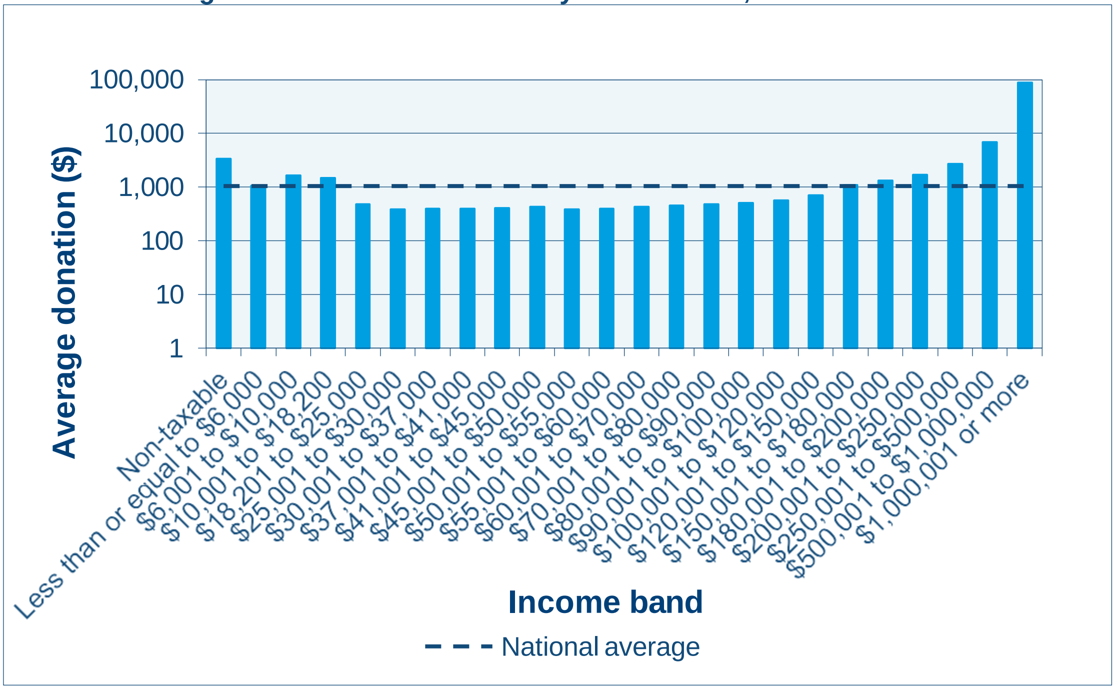
Chart 41 breaks down, for those with a taxable income of more than $1 million, the percentage of donating taxpayers to total taxpayers since 2010–11. Following the same trend as the other income bands, the percentage claiming a tax-deductible donation has fallen from 63.77 per cent in 2010–11 to 48.66 per cent in 2020–21, a decrease of 23.70 per cent over that time.

Chart 41: Percentage of donating taxpayers to total taxpayers (with a taxable income of more than $1 million) by year



[Chart 42](#) shows that in general terms, the more one earns, the more one claims as a tax-deductible donation. For those earning over $150,000 in 2020–21, the average donation claimed was greater than the national average of $1,047.27 while those earning up to $150,000 donated, on average, less than the national average.

Chart 42: Average tax-deductible donation by income band, 2020–21



While the average tax-deductible donation was $1,047.27 in 2020–21, donating taxpayers with a taxable income over $1 million claimed an average of $88,256.35 in tax-deductible donations. This amount has decreased by 26.45 per cent from 2019–20 where the average donation for this income band was $119,995.31. Chart 43 shows how this average amount has changed over the last decade.

Chart 43: Average donation for those with a taxable income of more than $1 million, by year

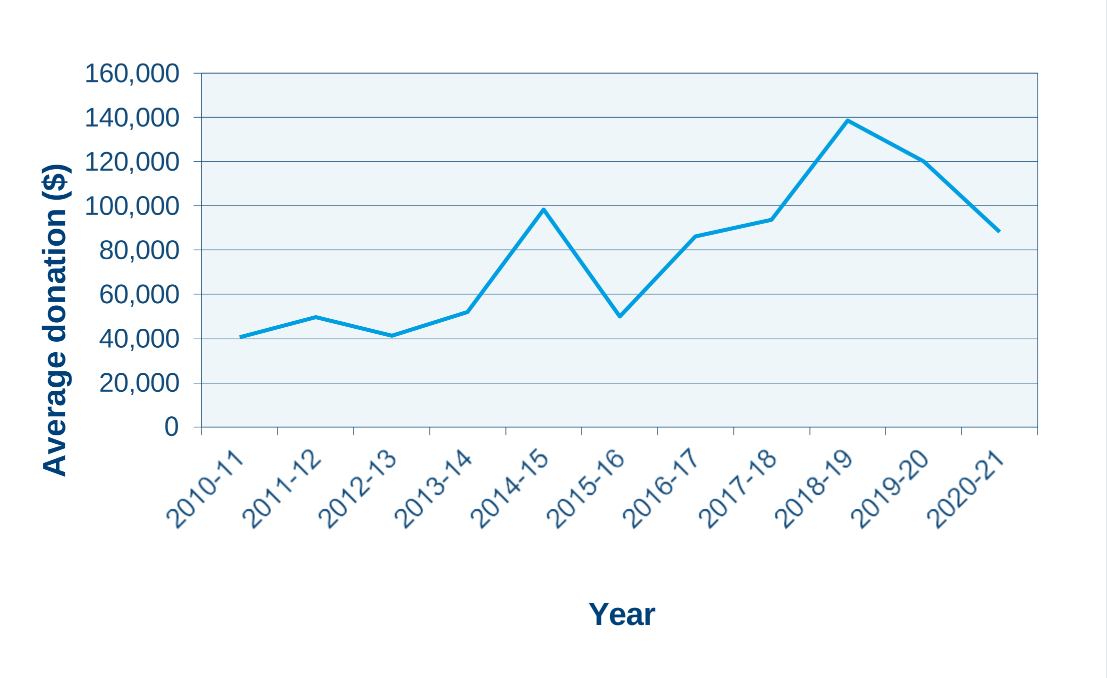


Chart 44 graphs the percentage donated of the taxable incomes of donating taxpayers across each income band. In 2020–21, those with the lowest and highest taxable incomes donated the highest percentage of their income. The percentage of income donated by those in the income band less than or equal to $6,000 was 1.96 per cent in 2020–21, an increase from 1.76 per cent recorded in 2019–20. Taxpayers earning more than $1 million donated 1.67 per cent of their income (compared to 2.69 per cent in 2019–20).

Chart 44: Tax-deductible donations as a percentage of taxable income by income band, 2020–21

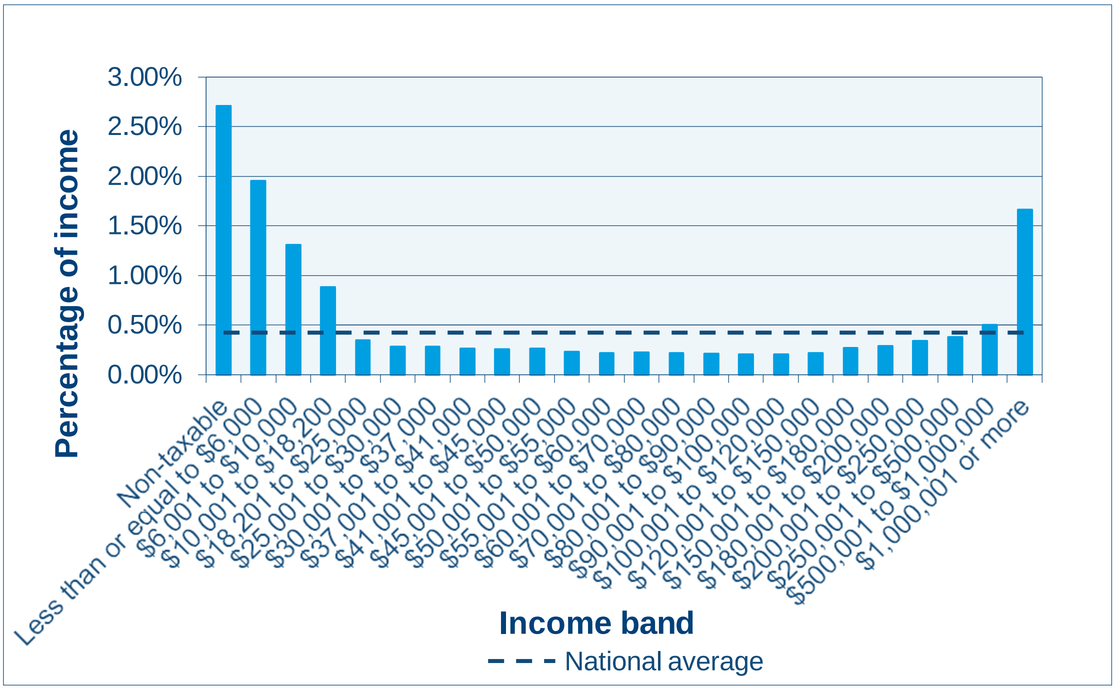


Chart 45 displays the contribution to the national total from those with a taxable income of more than $1 million, since 2010–11. This shows a pattern where the contribution rose generally until 2014–15 before a sharp dip then another steady rise until 2018–19. In the two most recent years, however, this contribution has fallen to now sit at 18.24 per cent of total donations.

Chart 45: Contribution to the national total from those with a taxable income of more than $1 million, by year

Summary and Discussion

Based on the data extracted from Table 5 in the Appendix (forming the basis of Charts 38 to 45), the analysis supports the general contention that the greater the taxable income, the greater the amount donated to DGRs and claimed by Australian individual taxpayers.

A total of 9,076 taxpayers with taxable incomes over $1 million claimed tax-deductible donations totalling $801 million in 2020–21. This represented 18.24 per cent of all tax-deductible donations in 2020–21. This income band also had the highest percentage of taxpayers claiming a donation (48.66 per cent) and donated 1.67 per cent of their income. However, all these numbers have dropped from the previous year with the average donation falling from $119,995 to $88,256 for taxpayers in this band.

For donating taxpayers with a taxable income less than $6,001, the average gift claimed was $1,078.68, with 4.57 per cent of taxpayers in this income band claiming a gift.

3.6. Individual Taxpayer Donations by OCCUPATION

Occupation is taken from the personal tax return item 1.[23] The occupation codes for 2020–21 are based upon the 'Australian and New Zealand Standard Classification of Occupations, Version 1.2' produced by the Australian Bureau of Statistics (2013). There are eight major groups:

- managers
- professionals
- technicians and trades workers
- community and personal service workers
- clerical and administrative workers
- sales workers
- machinery operators and drivers, workers, and
- labourers.

Each major group has several sub-groups. Table 8 in the Appendix contains the data relating to these eight major groups of occupations.

On the ACPNS website is a search tool for all occupations which will retrieve all the relevant deductible gift data for the year 2020–21 by occupation and years dating back to 2006–07. This is available from https://research.qut.edu.au/australian-centre-for-philanthropy-and-nonprofit-studies/resources/giving-statistics/.

The miscellaneous 'no occupation' and 'other' categories have been omitted from the data analysis as well as those occupation codes containing fewer than 100 people.

[23] There are many taxpayers who do not declare their occupation or are classified as miscellaneous. In 2020–21, 3,110,932 (20.56 per cent) individual taxpayers had their occupation listed as ‘other’.

Table 21 identifies the top ten occupations by the total amount claimed. Once again, **Chief Executives or Managing Directors** (occupation code 1111) collectively donated the highest amount, $484,387,357 in 2020–21. This is an increase of 42.71 per cent from 2019–20, where the total amount donated from this occupation code was $339,407,260 . Chief Executives or Managing Directors have consistently donated the highest amount in total since data was first collected in the 2006–07 year.

Table 21: Highest total gifts claimed by individual taxpayers, 2020–21 by occupation[24]

Rank	Occupation Code	Occupation Code	Total value of gifts/donations ($)
1	1111	Chief executive officer or managing director	484,381,357
2	1112	General manager	135,755,420
3	2223	Financial investment advisor or manager	129,350,031
4	2211	Accountant	57,964,926
5	2544	Registered nurse	52,038,117
6	2613	Software and applications programmer	45,929,311
7	2414	Secondary school teacher	37,947,609
8	1311	Advertising and sales manager	35,800,942
9	2539	Other medical practitioners	35,660,477
10	2412	Infant or primary school teacher	33,847,207

Table 22 displays the top ten occupation groups by average gift. This year, **Finance Investment Advisors or Managers** claimed the highest average tax-deductible donation ($12,998.70) followed by **Chief Executives or Managing Directors** ($9,215.95). in 2019–20, Chief Executives claimed $6,430.85 on average while Finance Advisors claimed gifts of $1,470.01 on average.

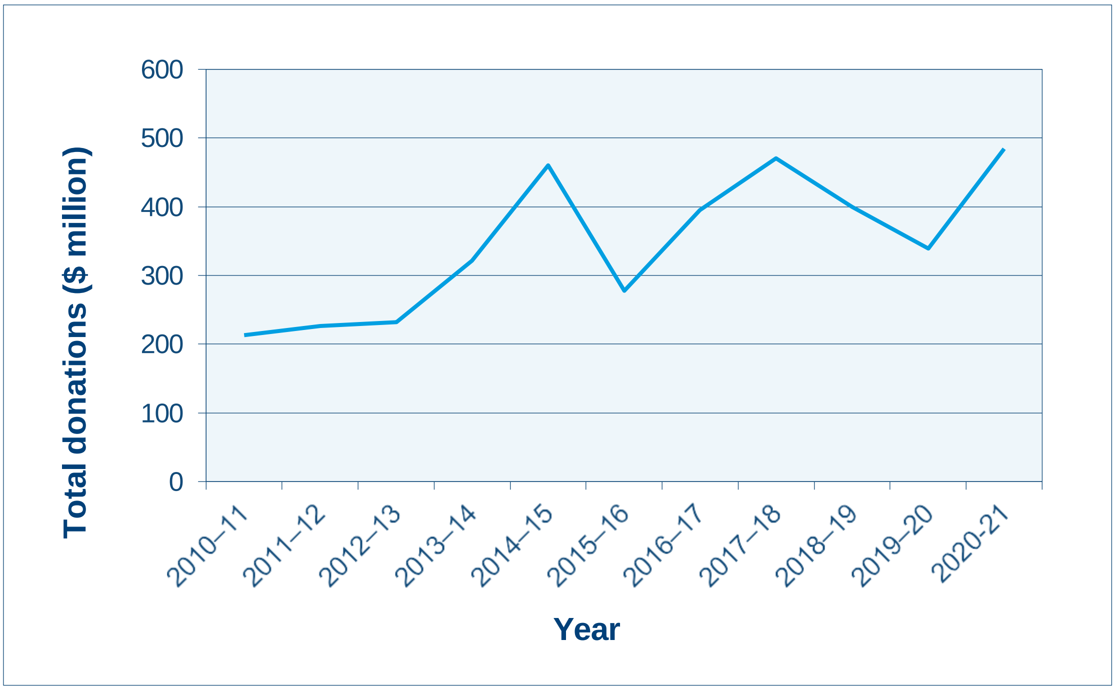
[24] Occupations with less than 100 individuals and the miscellaneous 'other' category were excluded from analysis.

Table 22: Highest average gifts claimed by individual taxpayers, 2020–21 by occupation[25]

Rank	Occupation Code	Occupation Code	Average gift (per gifting taxpayer) ($)
1	2223	Financial investment advisor or manager	12,998.70
2	1111	Chief executive officer or managing director	9,215.95
3	2535	Surgeon	3,949.34
4	2533	Internal medicine specialist	3,781.43
5	2222	Financial dealer	3,031.84
6	2712	Judicial or other legal professionals	2,961.40
7	2532	Anaesthetist	2,924.53
8	2534	Psychiatrist	2,877.12
9	2539	Other medical practitioners	2,869.60
10	1333	Importer, exporter or wholesaler	2,504.34

Chart 46 shows the total amount donated by **Chief Executives or Managing Directors** since 2010–11. It shows that this amount has increased each year with dips in 2015–16 and again in 2018–19. The total amount rose in 2020–21 by 42.71 per cent.

Chart 46: Total tax-deductible donations by Chief Executives or Managing Directors, 2009–10 to 2020–21



[25] Occupations with less than 100 individuals and the miscellaneous 'other' category were excluded from analysis.

Chart 47 displays the average donation by **Chief Executives or Managing Directors** from 2010–11 to 2020–21. It follows the same pattern as the total gifts with a 43.31 per cent increase in 2020–21 following two years of decreases.

Chart 47: Average gift by Chief Executives or Managing Directors, 2010–11 to 2020–21

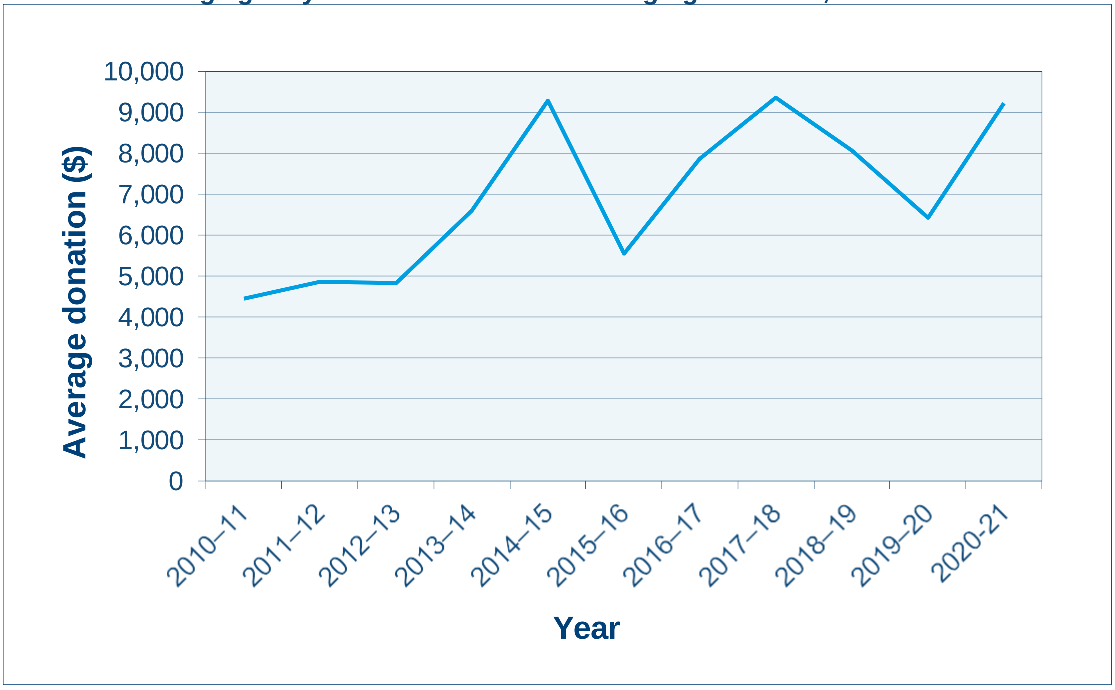


Table 23 identifies deductible gifts as a percentage of income, ranked for the top ten occupations. For the first time, **Financial Investment Advisors or Managers** ranked highest (3.76 per cent), followed by **Religious Leaders** (1.88 per cent) and **Chief Executives or Managing Directors** (1.22 per cent). **Religious Leaders** have ranked first in all but five recorded years (when they ranked second).[26] Overall, this list features a mix of occupation codes with low and high taxable incomes.

[26] Ministers of religion ranked second in 2007–08, 2008–09, 2013–14 and 2016–17.

Table 23: Highest percentage of income claimed as gifts by individual taxpayers, 2020–21 by occupation

Rank	Occupation Code	Occupation Code	Total gifts as a per cent of total taxable income
1	2223	Financial investment advisor or manager	3.76%
2	2722	Religious leader	1.88%
3	1111	Chief executive officer or managing director	1.22%
4	1113	Legislator	1.01%
5	2712	Judicial or other legal professionals	0.77%
6	2122	Author, or book or script editor	0.67%
7	9224	Consultant - management	0.67%
8	2724	Social professionals	0.63%
9	3994	Jeweller	0.62%
10	2533	Internal medicine specialist	0.55%

Table 24 depicts the percentage of donating taxpayers to total taxpayers within each occupation code in 2020–21.[27] For the eleventh year in a row, the occupation with the highest percentage of donating taxpayers was **Police** (occupation code 4413) in which 72.02 per cent of taxpayers made a tax-deductible donation. The occupation with the next highest percentage of donating taxpayers was **School Principals** (occupation code 7100) with 56.98 per cent making and claiming a donation. This is consistent with the previous year.

[27] Occupations with less than 100 individuals and the miscellaneous 'other' category were excluded from analysis.

Table 24: Highest percentage of donating taxpayers to total taxpayers, 2020–21, by occupation

Rank	Occupation Code	Occupation Code	Per cent of Total Taxpayers Claiming a Gift
1	4413	Police	72.02%
2	1343	School principal	56.98%
3	1324	Policy and planning manager	54.19%
4	2532	Anaesthetist	50.88%
5	1323	Human resource manager	50.87%
6	2712	Judicial or other legal professionals	50.39%
7	2246	Librarian	50.20%
8	2223	Financial investment advisor or manager	49.10%
9	4412	Fire or emergency service worker	49.07%
10	1321	Corporate services manager	48.82%

Traditionally, this list is dominated by professions that involve senior management positions that require a high degree of demonstrated leadership, often of 'close' teams such as police, health, education, legal and banking and finance, and often with payroll deductions offered to 'benevolent funds' for members of their profession/industry. There has been little shift in this list with **Police**, **School Principals** and **Policy and Planning Managers** being in the top four for twelve years now.

Table 25 displays the top three occupations in terms of total amount donated, average gift, percentage claiming and total gifts as a percentage of income in 2018–19, 2019–20 and 2020–21. It shows that there has been little shift in the top three in most areas across the three years. It also highlights that Chief Executives or Managing Directors appear in the top three consistently in all categories except percentage claiming a donation with only 23.46 per cent of people in this occupation claiming a deduction for donations.

Table 25: Top three occupations, 2018–19, 2019–20 and 2020–21

Rank	2018–19		2019–20		2020–21	
	Occupation	Amount	Occupation	Amount	Occupation	Amount
Total amount						
1	Chief executive officer or managing director	$ 399,823,586	Chief executive officer or managing director	$ 339,407,260	Chief executive officer or managing director	$ 484,381,357
2	General manager	$ 86,821,692	General manager	$ 95,531,572	General manager	$ 135,755,420

3	Accountant	$ 55,015,712	Accountant	$ 55,780,147	Financial investment advisor or manager	$ 129,350,031
Average gift						
1	Chief executive officer or managing director	$ 8,071.21	Chief executive officer or managing director	$ 6,430.85	Financial investment advisor or manager	$ 12,998.70
2	Other medical practitioners	$ 4,008.22	Other medical practitioners	$ 3,993.37	Chief executive officer or managing director	$ 9,215.95
3	Consultant - financial investment	$ 3,958.85	Internal medicine specialist	$ 3,781.84	Surgeon	$ 3,949.34
Percent claiming						
1	Police	72.05%	Police	72.43%	Police	72.02%
2	Machine operator - type not specified	69.19%	School principal	57.96%	School principal	56.98%
3	School principal	57.54%	Policy and planning manager	56.75%	Policy and planning manager	54.19%
Gifts as a percentage of income						
1	Religious leader	1.94%	Religious leader	1.95%	Financial investment advisor or manager	3.76%
2	Machine operator - type not specified	1.88%	Chief executive officer or managing director	1.00%	Religious leader	1.88%
3	Chief executive officer or managing director	1.27%	Legislator	0.99%	Chief executive officer or managing director	1.22%

Summary and Discussion

There has been little change in the donations by occupation over the years with **Chief Executives or Managing Directors** claiming the highest amount in total gifts in 2020–21. This occupation has consistently been in the top two for both total and average donation since 2008–09. This year, **Financial Investment Advisors or Managers** made a surprise entrance in the total, average and percentage of income charts.

Religious Leaders continue to give a high percentage of their taxable income, while **Police** have the highest percentage of donating taxpayers.

3.7. Individual Taxpayer Donations by (Sole Trader) INDUSTRY

Table 9 in the Appendix to this paper (which forms the basis of Charts 45 to 48) contains data relating to the amount of tax-deductible donations made and claimed by individual Australian taxpayers carrying on a business as a sole trader in their 2020–21 income tax return according to their Australian New Zealand Standard Industry Classification (ANZSIC).

In the 2020–21 individual income tax return, an individual carrying on a business as a sole trader was required to complete the Business and Professional Items Schedule (comprising Items P1 to P19). Item P2 requires the taxpayer to provide a brief description of their main business or professional activity and classify the industry in which the business operates (Label A).

This industry classification is based on the ANZSIC system. The ANZSIC codes, numbered 1110 to 99070, form the basis of the following analysis. The ANZSIC code does not correlate to the taxpayer's occupation code (Item 1, Label X).

The following analysis is based on data collected from taxpayers who operate a business as a sole trader. It does not capture information on salary and wage earners (i.e., employees) who work within these industries, nor does it include business taxpayers operating through partnerships, trusts or companies.

Any person who does not enter an ANZSIC code in the Business and Professional Items Schedule is automatically assumed to be a "salary and wage earner".

Chart 48 indicates that in 2020–21, 209,171 sole business taxpayers in the **Professional, Scientific, and Technical Services** industry claimed the highest tax-deductible donations to DGRs totalling $109.72 million. This is an increase of 44.18 per cent from $ 76.09 million in 2019–20. In second place was the **Health Care and Social Assistance** industry where donations totalled $81.79 million (an increase of 4.15 per cent from $78.53 million from 2019–20).

Chart 48: Total tax-deductible donation by (Sole Trader) industry, 2020–21

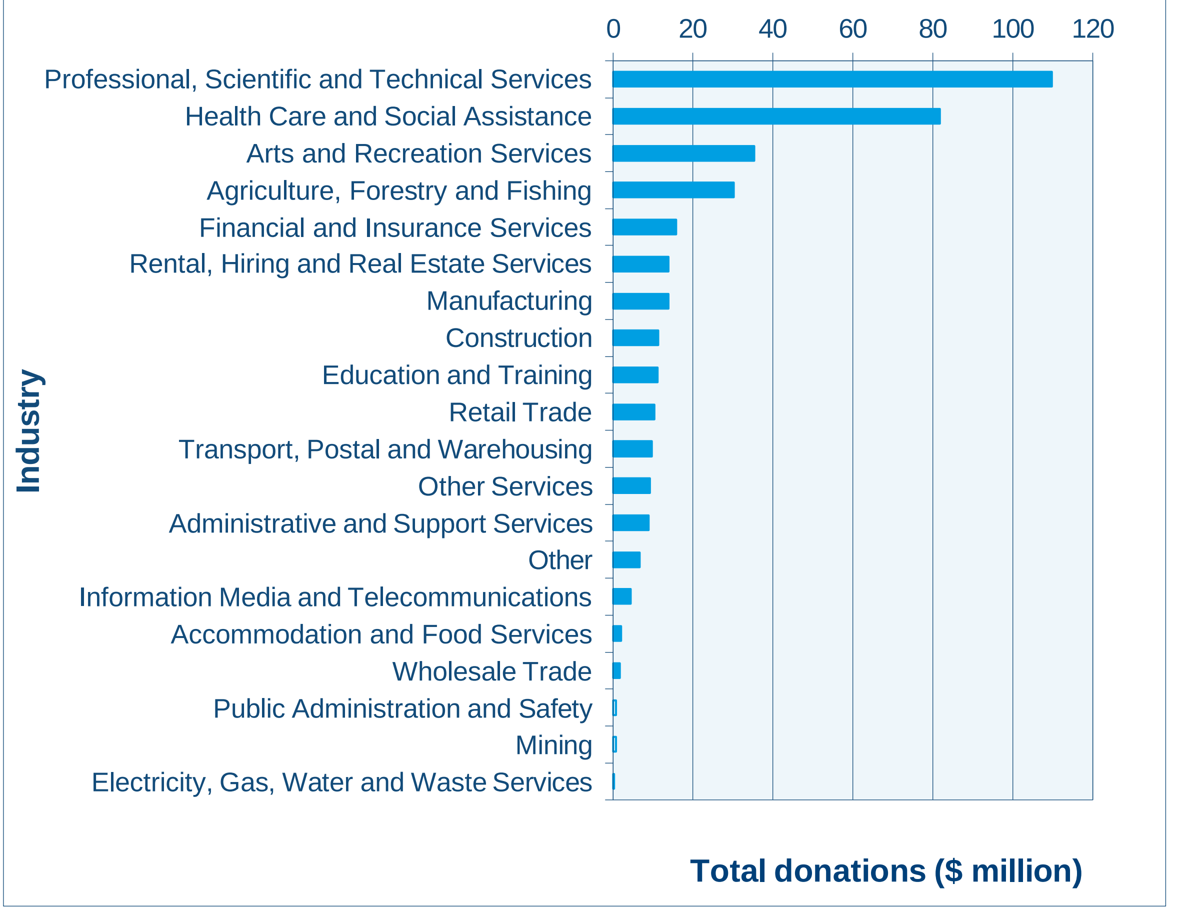
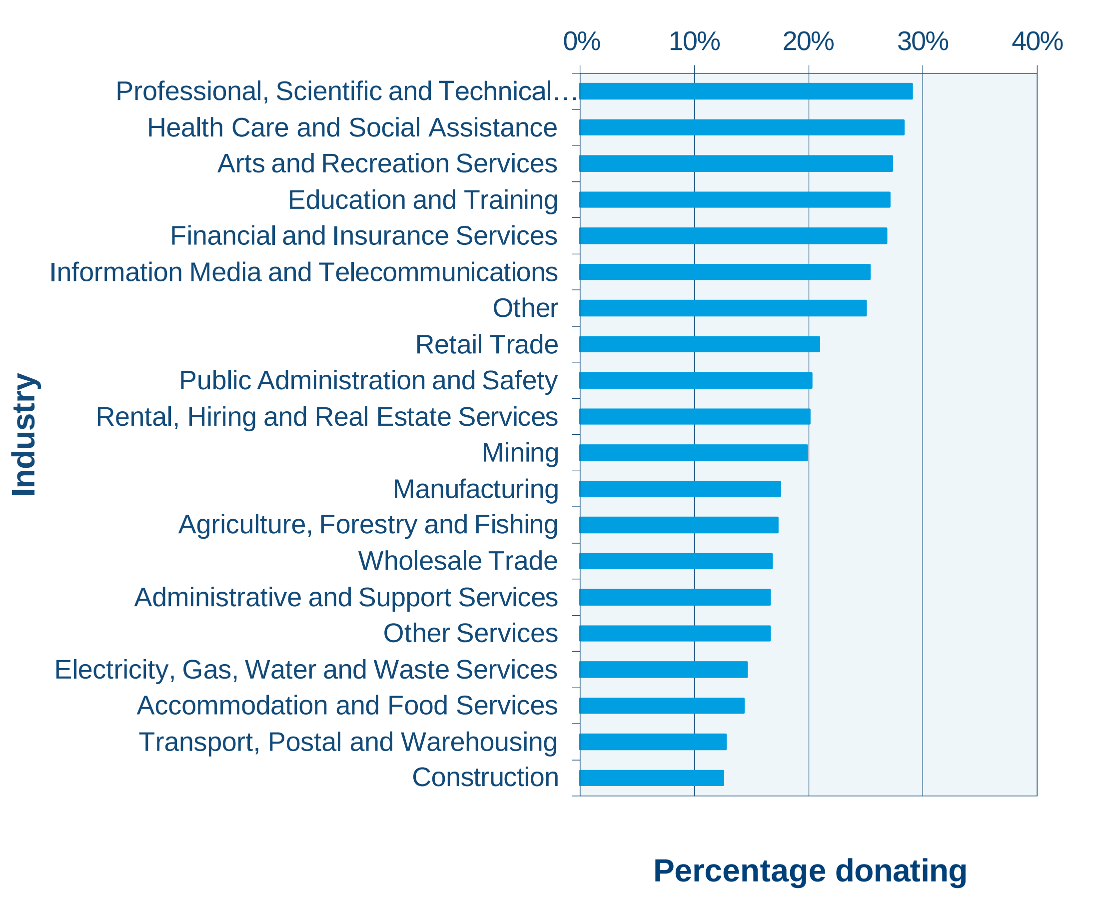


Chart 49 shows the percentage of sole trader business taxpayers who made and claimed tax-deductible gifts by industry code in 2020–21. The chart reveals that the sole trader industry category with the highest percentage of taxpayers claiming a gift were those working in **Professional, Scientific and Technical Services** with 29.04 per cent (a slight decrease from 30.24 per cent in 2019–20). The next highest were taxpayers in the **Health Care and Social Assistance** industry with 28.32 per cent claiming a gift.

Chart 49: Percentage of donating taxpayers by (Sole Trader) industry, 2020–21



In terms of average tax-deductible donations by industry code, Chart 50 reveals that the highest average tax-deductible gifts made and claimed by sole trader business taxpayers in 2020–21 came from those engaged in the Mining industry with an average tax-deductible donation of $2,938.08. This is an 11.09 per cent decrease from 2019–20 where the average donation claimed was $3,304.67. **Financial and Insurance Services**, which ranked first in 2019–20, had the sixth highest average donation ($1,744.61), a drop of 59.22 per cent from $4,278.15 the previous year.

Chart 50: Average tax-deductible donation by (Sole Trader) industry, 2020–21

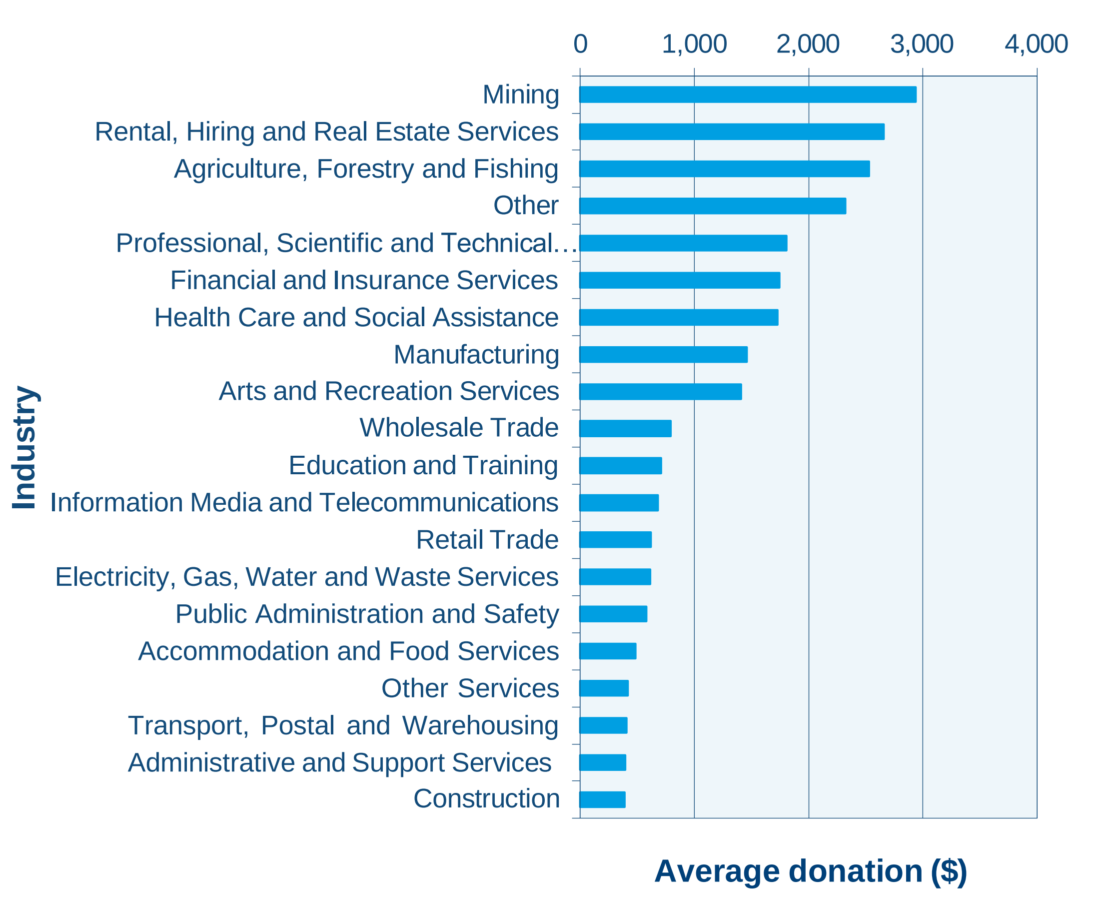
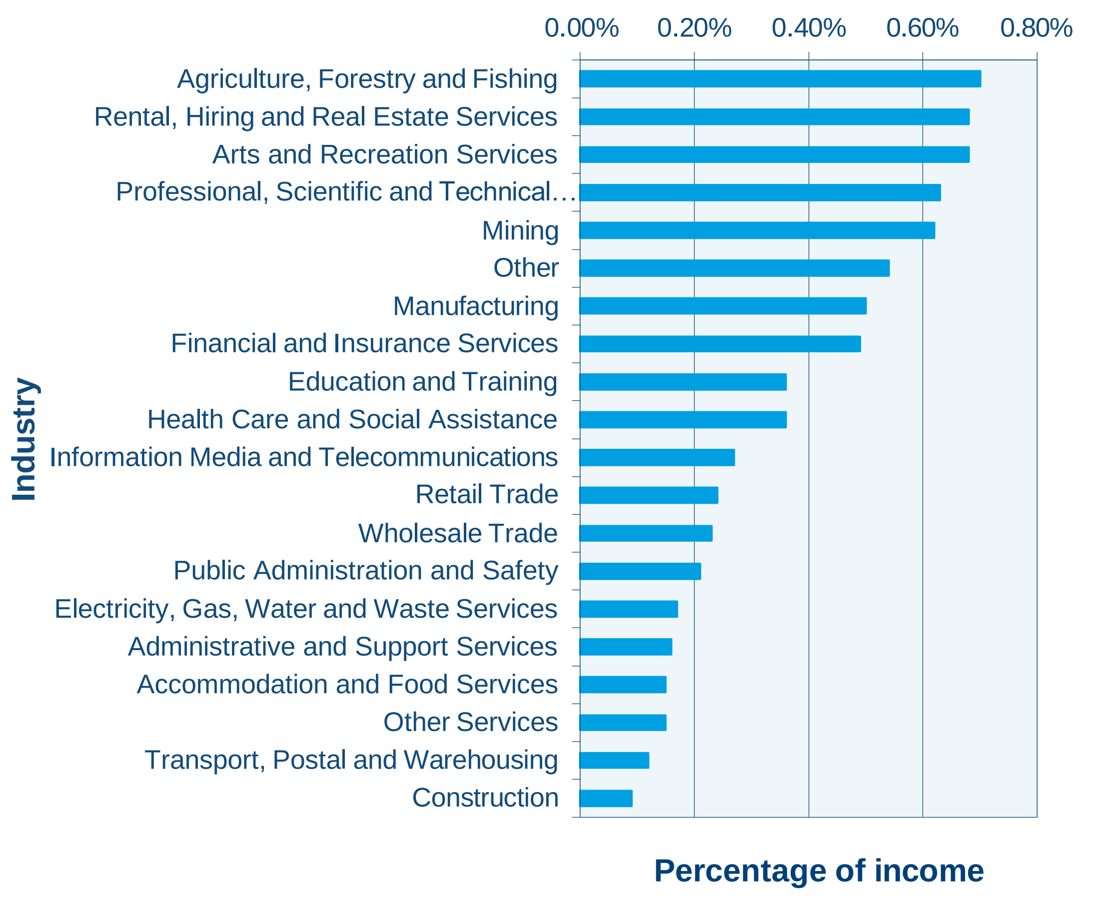


Chart 51 analyses the amount of tax-deductible donations relative to taxable income of sole trader business taxpayers, sorted by ANZSIC industry categories. The chart reveals that in 2020–21, sole trader business taxpayers in the Agriculture, Forestry and Fishing industry claimed the equivalent of 0.70 per cent of their taxable incomes as donations to DGRs.

Chart 51: Donations as a percentage of income by (Sole Trader) industry, 2020–21



Summary and Discussion

In 2020–21, 44,533 Sole Trader business taxpayers in the **Professional, Scientific and Technical Services** industry claimed the highest tax-deductible donations to DGRs totalling $109.72 million. This industry also had the greatest percentage of donating taxpayers with 29.04 per cent of sole traders in this industry claiming a tax-deductible donation.

Those in the **Mining** industry claimed the highest average donation of $2,938.08, while those in Agriculture, Forestry and Fishing and claimed the most as a percentage of their taxable income (0.70 per cent).

4.0 LIMITATIONS OF THE STUDY

The ATO Taxation Statistics are one of the few ways in which donation information is collected on a rigorous basis in Australia. They provide useful trend data as the information is collected annually on much the same basis. Other giving surveys are usually snapshots with different questions, methodology and definitions of what a gift or donation is, and small numbers of participants.

All taxpayers are required to make a formal declaration at the end of their tax returns that the information contained therein is correct. Under the system of self-assessment, the ATO generally treats the tax return lodged by a taxpayer as being correct when lodged. However, the ATO has a wide-ranging audit program to confirm whether the details disclosed in taxpayers' income tax returns are correct or not. If the taxpayer has made a false or misleading statement or claimed an amount that cannot be substantiated, then the taxpayer is faced with the prospect of fines, penalties and interest charges.

It is considered that the results of this analysis will prove useful to fundraisers in DGR-endorsed organisations, and in the development of fundraising strategies. Knowing where donors live, and how much taxpayers within certain industries and specific occupations give, can assist DGRs to target fundraising strategies towards these donor groups.

The limitations of this analysis include:

a. This study uses information from published ATO material and represents only the extent of tax-deductible donations made to DGRs and claimed by Australian taxpayers at Item *D9 Gifts or Donations* in their individual income tax returns for the 2020–21 income year. This study does not measure the total amounts gifted by Australian taxpayers, because it is not known what percentage of taxpayers make tax-deductible donations but forget to claim them on their income tax returns. Many smaller donations may not be claimed, for example, a $2 donation receipt may have been lost or forgotten by tax return lodgement time. However, it is assumed that the larger the donation, the more likely the donation will be claimed by the taxpayer on their tax return. Data from *Giving Australia 2016* supports this with 74 per cent of those donating $10,000 or more claiming a tax deduction, compared with 21.2 per cent of those donating between $1 and $24 (McGregor-Lowndes et al. 2017).

b. It is not known how many erroneous tax-deductible donations are claimed by taxpayers. For instance, in 2002–03, the ATO found 265,547 discrepancies in reviewing individual tax returns.

c. This study is based only on the extent of charitable giving by individual taxpayers. It does not measure the extent of business or corporate giving. The statistics relating to the extent of tax-deductible donations made by non-individual taxpayers (such as companies, trusts, etc.) are not recorded in published ATO data. Unlike the individual income tax return, the partnership, trust and company income tax returns do not have an item equivalent to *Item D9 Gifts or Donations.*

d. The amount recorded at *Item D9 Gifts or Donations* only represents those donations that can be claimed as an income tax deduction. Many individual taxpayers make donations to organisations that cannot be claimed as tax deductions (e.g., purchasing badges or tea towels, buying food and small items from charity-run fêtes, buying tickets to a fundraising event or dinner, and sponsorships). The ATO statistics only capture philanthropic gifts and contributions by individuals to DGRs and does not capture donations to charities that are not DGRs.

e. Some taxpayers do not lodge their tax returns by the due date. The ATO adds new information to its aggregate dataset when it is processed. This means that the total tax-deductible gifts in a previously reported year may increase in a subsequent dataset, which includes references to previous years. For instance, the data presented in this paper is based on information contained in individual taxpayers' 2020 tax returns processed by the ATO as at 31 October 2021.

f. Any information contained in 2020–21 income tax returns lodged by Australian taxpayers after October 31, 2022, will not be reflected in this 2022 Taxation Statistics publication. Instead, information relating to 2020 tax returns of individuals lodged after 31 October 2021 will be incorporated into and reflected in, future Taxation Statistics publications. In this paper, we found certain figures have been revised and updated from previous Taxation Statistics publications. This is particularly so with the total number of donors, total tax-deductible donations made and donations according to the state of residence. This paper indicates the situations where late taxpayer filings have <u>not</u> been included.

g. The analysis of industry classifications and gift deductions should not be confused with taxpayers' occupations. The analysis is solely based on taxpayers who are Sole Traders. For example, lawyers may be included in:

- salary and wage taxpayers (employed lawyers)
- sole trader lawyers who operate their own businesses
- lawyers who carry on business as partners in a partnership, or even
- a company or trust.

Thus, this data about sole traders should not be understood as representing the gift deductions of all taxpayers who might provide legal services, <u>**ONLY**</u> those who are Sole Trader business taxpayers.

h. The ATO has provided data by occupation code declared in an individual taxpayer's return. There are many taxpayers who do not declare their occupation or are classified as miscellaneous. In 2020–21, 3,481,730 (23 per cent) individual taxpayers had their occupation listed as 'other'.

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6.0 APPENDIX: ATO DATA TABLES

Taxation Statistics 2020–21 Table 1: Total and Average Donations (Revised ATO Data)[28,29] Income Years Ending 30 June 2011 to 30 June 2021											
	2010–11	**2011–12**	**2012–13**	**2013–14**	**2014–15**	**2015–16**	**2016–17**	**2017–18**	**2018–19**	**2019–20**	**2020–21**
Number of taxable taxpayers	9,815,520	10,203,645	9,867,053	10,094,991	10,357,365	10,584,639	10,874,723	11,270,674	11,478,095	11,704,899	11,701,130
Number of non-taxable taxpayers	3,459,530	3,163,135	3,538,884	3,556,057	3,610,001	3,752,762	3,866,813	3,857,162	4,093,286	3,878,112	3,433,059
Total taxpayers	13,275,050	13,366,780	13,405,941	13,651,048	13,967,366	14,337,401	14,741,536	15,127,836	15,571,381	15,583,011	15,134,189
Taxable income ($ million)	$ 658,167	$ 699,637	$ 737,257	$ 772,993	$ 800,539	$ 831,656	$ 856,312	$ 911,632	$ 962,682	$ 990,092	$ 1,035,903
Donating taxpayers	4,928,310	4,663,785	4,682,081	4,675,588	4,708,194	4,649,607	4,648,539	4,545,673	4,325,855	4,429,818	4,193,605
Total tax-deductible donations ($ million)	$ 2,305	$ 2,298	$ 2,355	$ 2,685	$ 3,153	$ 2,931	$ 3,596	$ 3,852	$ 4,070	$ 4,091	$ 4,392
Percentage change	13.38%	-0.31%	2.49%	14.03%	17.40%	-7.04%	22.69%	7.13%	5.65%	0.53%	7.35%
Percentage of donors to total taxpayers	37.12%	34.89%	34.93%	34.25%	33.71%	32.43%	31.53%	30.05%	27.78%	28.43%	27.71%
Donation as a percentage of taxable income	0.35%	0.33%	0.32%	0.35%	0.39%	0.35%	0.42%	0.42%	0.42%	0.41%	0.42%
Average tax-deductible donation	467.71	492.69	502.98	574.35	669.60	630.32	773.53	847.39	940.77	923.55	1,047.27
Increase of average donation ($)	20.48	24.98	10.29	71.37	95.25	-39.29	143.21	73.87	93.38	-17.22	123.72
Increase of average donation (%)	4.58%	5.34%	2.09%	14.19%	16.58%	-5.87%	22.72%	9.55%	11.02%	-1.83%	13.40%
Median donation ($)				$ 100	$105	$ 110	$ 110	$ 117	$ 120	$ 130	$ 130

[28] Source: Table 1: Individuals Tax. Selected Items, for income years 1978–79 to 2020–21, Australian Taxation Office (2023a) Taxation Statistics 2020–21

[29] Statistics for the 2018–19 and 2019–20 income years reported in this table may not match the statistics reported in previous editions of Taxation statistics because they have been updated in this table. It differs from the figures used in the text as they compare the state of the data as at October of the year to which the data relates so that proper comparisons can be made with the previous year.

Taxation Statistics 2020–21 Table 2: Donations by Gender[30] Income Year Ending 30 June 2021								
Gender	**Total number of individuals**	**Taxable income**	**Total tax-deductible donations**		**Percentage of donating taxpayers to total taxpayers**	**Donations as a percentage of taxable income**	**Average tax-deductible donation**	**Percentage of national total**
		$ million	**no.**	**$ million**	**%**	**%**	**$**	**%**
Male	7,671,822	$ 610,091	2,000,566	$ 2,688	26.08%	0.44%	$ 1,343.48	61.20%
Female	7,462,367	$ 423,406	2,193,039	$ 1,704	29.39%	0.40%	$ 777.06	38.80%
Total[31]	**15,134,189**	**$ 1,033,497**	**4,193,605**	**$ 4,391**	**27.71%**	**0.42%**	**$ 1,047.27**	**100.00%**

[30][30] Source: Table 2: Individual Tax. Selected items, by lodgement method, sex, taxable status, state/ territory and age range, 2010–11 to 2020–21 income years. Australian Taxation Office (2023a) Taxation Statistics 2020–21.
[31] Numbers may not add up due to nondisclosure.

Taxation Statistics 2020–21
Table 3: Donations by Gender and Age
Income Year Ending 30 June 2021

Gender	Total number of individuals	Taxable income	Total tax-deductible donations		Percentage of donating taxpayers to total taxpayers	Donations as a percentage of taxable income	Average tax-deductible donation	Percentage of national total
	Taxpayers	$ million	no.	$ million	%	%	$	%
Male								
Under 18	90,638	970	3,690	0	4.07%	0.04%	102.20	0.01%
18 – 24	878,482	34,077	121,533	29	13.83%	0.09%	239.61	0.66%
25 – 29	825,314	50,054	178,372	64	21.61%	0.13%	359.26	1.46%
30 – 34	854,254	65,862	213,673	92	25.01%	0.14%	429.65	2.09%
35 – 39	842,589	77,179	234,515	142	27.83%	0.18%	606.86	3.24%
40 – 44	737,702	75,656	221,436	158	30.02%	0.21%	715.14	3.61%
45 – 49	707,971	76,064	222,313	323	31.40%	0.42%	1,453.08	7.36%
50 – 54	670,006	71,785	212,811	454	31.76%	0.63%	2,133.61	10.34%
55 – 59	627,189	62,333	199,812	445	31.86%	0.71%	2,226.52	10.13%
60 – 64	542,283	45,094	166,579	194	30.72%	0.43%	1,163.86	4.41%
65 – 69	373,139	24,293	99,867	171	26.76%	0.70%	1,711.48	3.89%
70 – 74	240,445	13,119	57,489	241	23.91%	1.83%	4,186.13	5.48%
75 and over	281,810	13,606	68,476	374	24.30%	2.75%	5,464.99	8.52%
Total male	**7,671,822**	**610,091**	**2,000,566**	**2,688**	**26.08%**	**0.44%**	**1,343.48**	**61.20%**
Female								
Under 18	89,491	795	3,313	0	3.70%	0.03%	80.51	0.01%
18 – 24	864,044	30,314	142,999	29	16.55%	0.10%	204.53	0.67%
25 – 29	807,435	41,642	211,122	72	26.15%	0.17%	340.97	1.64%
30 – 34	853,358	48,194	240,546	80	28.19%	0.17%	334.06	1.83%
35 – 39	820,697	51,016	249,402	98	30.39%	0.19%	392.60	2.23%
40 – 44	714,441	49,412	236,321	105	33.08%	0.21%	444.89	2.39%
45 – 49	700,465	51,093	242,145	115	34.57%	0.22%	474.05	2.61%
50 – 54	669,612	47,176	237,967	130	35.54%	0.28%	545.58	2.96%
55 – 59	613,036	40,227	222,426	181	36.28%	0.45%	813.33	4.12%
60 – 64	514,696	28,561	180,954	389	35.16%	1.36%	2,150.62	8.86%
65 – 69	331,251	15,170	101,814	119	30.74%	0.78%	1,167.30	2.71%
70 – 74	206,042	8,367	52,960	155	25.70%	1.86%	2,936.12	3.54%
75 and over	277,799	11,440	71,070	230	25.58%	2.01%	3,238.84	5.24%
Total female	**7,462,367**	**423,406**	**2,193,039**	**1,704**	**29.39%**	**0.40%**	**777.06**	**38.80%**

Taxation Statistics 2020–21 Table 4: State of Residence[32] Income Year Ending 30 June 2021									
State of Residence	**Total number of individual taxpayers**	**Taxable income**	**Total tax-deductible donations**		**Percentage of donating taxpayers to total taxpayers**	**Donations as a percentage of taxable income**	**Average tax-deductible donation**	**Median tax-deductible donation**	**Percentage of national total**
		$ million	**no.**	**$ million**	**%**	**%**	**$**	**$**	**%**
New South Wales	4,689,060	340,315	1,324,397	1,384.73	28.24%	0.41%	1,045.55	150	31.53%
Victoria	3,856,989	261,075	1,167,225	1377.81	30.26%	0.53%	1,180.41	120	31.37%
Queensland	3,053,477	196,845	776,311	531.20	25.42%	0.27%	684.26	106	12.10%
South Australia	1,033,940	62,844	263,698	164.06	25.50%	0.26%	622.16	120	3.74%
Western Australia	1,625,445	118,088	432,246	747.54	26.59%	0.63%	1,729.42	120	17.02%
Tasmania	321,728	18,414	85,633	51.19	26.62%	0.28%	597.82	100	1.17%
Northern Territory	131,403	9,147	35,979	17.65	27.38%	0.19%	490.54	110	0.40%
Australian Capital Territory	294,846	23,534	101,056	107.64	34.27%	0.46%	1,065.18	240	2.45%
Other Taxpayers	127,301	3,234	7,060	10.03	5.55%	0.31%	1,420.06	N/A	0.23%
Total[33]	15,134,189	1,035,903	4,193,605	4,391.84	27.71%	0.42%	1,047.27	130	100.00%

[32] Source: Table 4: Selected items, by gender, taxable status, state/territory and taxable income range, 2020–21 income year. Australian Taxation Office (2023a) Taxation Statistics 2020–21
[33] Numbers may not add up due to nondisclosure.

Taxation Statistics 2020–21
Table 5: Income Band[34]
Income Year Ending 30 June 2021

Taxable Income Bands	Total number of individual taxpayers	Taxable income	Percentage of taxpayers in income band to total	Total tax-deductible donations		Percentage of donating taxpayers to total taxpayers	Donations as a percentage of taxable income	Average tax-deductible donation	Percentage of national total
		$m	Taxpayers	no.	$m	%	%	$	%
Non-taxable	3,433,059	42,386	22.68%	339,062	1,147.28	9.88%	2.71%	$3,383.69	26.12%
Less than or equal to $6,000	26,241	66	0.17%	1,198	1.29	4.57%	1.96%	$1,078.68	0.03%
$6,001 to $10,000	11,149	88	0.07%	705	1.15	6.32%	1.31%	$1,636.58	0.03%
$10,001 to $18,200	16,182	225	0.11%	1,339	1.98	8.27%	0.88%	$1,476.42	0.05%
$18,201 to $25,000	237,348	5,687	1.57%	41,397	19.73	17.44%	0.35%	$476.67	0.45%
$25,001 to $30,000	633,868	17,447	4.19%	128,389	49.56	20.25%	0.28%	$386.04	1.13%
$30,001 to $37,000	1,012,127	33,998	6.69%	240,021	95.56	23.71%	0.28%	$398.14	2.18%
$37,001 to $41,000	616,243	24,038	4.07%	160,921	63.06	26.11%	0.26%	$391.89	1.44%
$41,001 to $45,000	643,967	27,734	4.26%	173,809	71.12	26.99%	0.26%	$409.19	1.62%
$45,001 to $50,000	793,047	37,637	5.24%	228,873	99.79	28.86%	0.27%	$436.02	2.27%
$50,001 to $55,000	741,044	38,885	4.90%	227,742	88.85	30.73%	0.23%	$390.16	2.02%
$55,001 to $60,000	681,952	39,190	4.51%	219,490	86.20	32.19%	0.22%	$392.74	1.96%
$60,001 to $70,000	1,171,428	75,949	7.74%	397,515	171.31	33.93%	0.23%	$430.96	3.90%
$70,001 to $80,000	965,663	72,276	6.38%	344,619	158.48	35.69%	0.22%	$459.86	3.61%
$80,001 to $90,000	796,976	67,654	5.27%	297,207	141.60	37.29%	0.21%	$476.44	3.22%
$90,001 to $100,000	635,099	60,236	4.20%	249,686	125.74	39.31%	0.21%	$503.60	2.86%
$100,001 to $120,000	944,332	103,337	6.24%	382,406	214.49	40.49%	0.21%	$560.90	4.88%
$120,001 to $150,000	746,046	99,297	4.93%	312,188	217.94	41.85%	0.22%	$698.10	4.96%
$150,001 to $180,000	403,116	66,292	2.66%	165,637	180.98	41.09%	0.27%	$1,092.61	4.12%
$180,001 to $200,000	159,606	30,139	1.05%	66,417	88.21	41.61%	0.29%	$1,328.08	2.01%
$200,001 to $250,000	195,835	43,328	1.29%	87,157	147.11	44.51%	0.34%	$1,687.85	3.35%
$250,001 to $500,000	202,777	67,306	1.34%	95,412	256.60	47.05%	0.38%	$2,689.44	5.84%
$500,001 to $1,000,000	48,385	32,225	0.32%	23,339	162.78	48.24%	0.51%	$6,974.51	3.71%
$1,000,001 or more	18,652	48,059	0.12%	9,076	801.01	48.66%	1.67%	$88,256.35	18.24%
Total[35]	**15,134,189**	**$1,033,497**	**100.00%**	**4,193,605**	**$4,391.84**	**27.71%**	**0.42%**	**$1,047.27**	**100.00%**

[34] Source: Table 4: Selected items, by gender, taxable status, state/territory, and taxable income range, 2020–21 income year. Australian Taxation Office (2023a) Taxation Statistics 2020–21.
[35] Numbers may not add up due to nondisclosure and/or rounding. In addition, 47 people listed their income as $250,000 or more. As all were under 18 years and made no deductions for donations, they were excluded from this table.

Taxation Statistics 2020–21 Table 6: Highest Total Deductible Gifts by State and Postcode[36] Income Year Ending 30 June 2021						
Postcode	**Locations**	**No. of Gifting taxpayers**	**Amount of Gift $**	**Average Gift $**	**% Making Gift**	**% of Taxable Income**
NSW						
2030	Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay	2,921	75,830,855	25,960.58	30.62%	3.45%
2029	Rose Bay	2,125	59,412,900	27,959.01	31.32%	6.29%
2023	Bellevue Hill	2,329	42,513,007	18,253.76	32.77%	2.73%
2008	Chippendale, Darlington	1,373	41,948,908	30,552.74	20.57%	9.66%
2027	Darling Point, Edgecliff, HMAS Rushcutters, Point Piper	1,920	41,473,942	21,601.01	33.79%	3.34%
VIC						
3068	Clifton Hill, Fitzroy North	4,768	276,725,793	58,038.13	38.12%	21.89%
3186	Brighton, Brighton North, Dendy, Were Street PO	4,939	126,791,013	25,671.39	30.16%	5.00%
3141	South Yarra	5,369	42,926,505	7,995.25	29.54%	2.01%
3142	Hawksburn, Toorak	2,998	38,951,357	12,992.45	30.91%	1.80%
3206	Albert Part, Middle Park	2,291	27,764,119	12,118.78	34.35%	2.63%
QLD						
4105	Moorooka, Tennyson, Yeerongpilly	2,620	35,015,659	13,364.76	29.22%	5.20%
4215	Australia Fair, Chirn Park, Labrador, Southport, Southport BC, Southport Park	6,520	24,997,186	3,833.92	19.58%	1.41%
4007	Ascot, Hamilton, Hamilton Central	2,897	19,633,621	6,777.23	26.93%	1.53%
4558	Cotton Tree, Kuluin, Maroochydore, Maroochydore BC, Maroochydore DC, Sunshine Plaza	3,342	16,759,341	5,014.76	22.91%	1.97%
4068	Chelmer, Indooroopilly, Indooroopilly Centre, Taringa	4,273	13,034,482	3,050.43	25.71%	0.86%
SA						
5061	Hyde Park, Malvern, Unley, Unley Park	2,017	7,082,370	3,511.34	30.36%	0.94%
5066	Beaumont, Burnside, Erindale, Hazelwood Park, Stonyfell, Waterfall Gully, Wattle Park	2,390	5,467,911	2,287.83	28.87%	0.69%
5068	Heathpool, Kensington, Kensington Gardens, Kensington Park, Leabrook, Marryatville, St Morris, Trinity Gardens	2,304	5,011,072	2,174.94	28.67%	0.75%
5081	Collinswood, Gilberton, Medindie, Medindie Gardens, Vale Park, Walkerville	1,841	4,237,102	2,301.52	28.81%	0.65%
5062	Brown Hill Creek, Clapham, Hawthorn, Kingswood, Lower Mitcham, Lynton, Mitcham, Mitcham Shopping Centre, Netherby, Springfield, Torrens Park	3,123	4,195,646	1,343.47	30.66%	0.45%
WA						
6011	Cottesloe, Peppermint Grove	1,939	499,634,018	257,676.13	29.17%	32.70%
6009	Crawley, Broadway Nedlands, Dalkeith, Nedlands, Nedlands DC	3,212	9,016,551	2,807.15	27.08%	0.50%
6010	Claremont, Claremont North, Karrakatta, Mount Claremont, Swanbourne	3,648	7,874,803	2,158.66	29.95%	0.51%
6153	Applecross, Applecross North, Ardross, Brentwood, Canning Bridge Applecross, Mount Pleasant	4,065	7,174,345	1,764.91	27.71%	0.44%

[36] Postcodes with less than 100 individuals were excluded from analysis

Taxation Statistics 2020–21 Table 6: Highest Total Deductible Gifts by State and Postcode[36] Income Year Ending 30 June 2021						
Postcode	Locations	No. of Gifting taxpayers	Amount of Gift $	Average Gift $	% Making Gift	% of Taxable Income
6112	Armadale, Bedfordale, Brookdale, Forrestdale, Harrisdale, Haynes, Hilbert, Mount Nasura, Mound Richon, Piara Waters, Seville Grove, Wungong, Doobarda	11,248	6,866,602	610.47	27.56%	0.26%
TAS						
7250	Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Trevallyn, Travellers Rest, Waverley, West Launceston,	8,147	5,151,027	632.26	26.31%	0.27%
7005	Dynnyrne, Lower Sandy Bay, Sandy Bay	2,749	4,570,724	1,662.69	28.32%	0.63%
7004	Battery Point, South Hobart	1,781	4,417,966	2,480.61	34.13%	1.19%
7000	Glebe, Hobart, Mount Stuart, North Hobart, Queens Domain, West Hobart	3,184	2,600,799	816.83	30.76%	0.38%
7018	Bellerive, Howrah, Montagu Bay, Mornington, Rosny, Rosny Park, Tranmere, Warrane	4,960	2,389,411	481.74	34.89%	0.28%
NT						
0810	Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri	6,558	2,941,898	448.60	29.60%	0.19%
0870	Alice Springs, Araluen, Braitling, Ciccone, Desert Springs, East Side, Gillen, Sadadeen, Stuart, The Gap, White Gums	3,915	2,779,836	710.05	28.30%	0.29%
0820	Bayview, Charles Darwin, Coonawarra, Darwin DC, Eaton, East Point, Fannie Bay, Larrakeyah, Ludmilla, Parap, Stuart Park, The Gardens, The Narrows, Winnellie, Woolner,	4,069	1,978,495	486.24	29.62%	0.18%
0851	Katherine	118	1,875,763	15,896.30	16.71%	3.82%
0812	Anula, Buffalo Creek, Holmes, Karama, Leanyer, Marrara, Malak, Wulagi	3,456	1,309,138	378.80	31.48%	0.18%
ACT						
2603	Forrest, Griffith, Manuka, Red Hill	2,553	13,215,677	5,176.53	35.31%	1.40%
2600	Barton, Canberra, Capital Hill, Deakin, Deakin West, Harman, HMAS Harman, Parkes, Russell, Yarralumla	2,238	12,060,850	5,389.12	37.92%	1.67%
2605	Curtin, Garran, Hughes	3,150	11,879,161	3,771.16	39.63%	1.48%
2602	Ainslie, Dickson, Downer, Hackett, Lyneham, O'Conner, Watson	8,070	9,505,293	1,177.86	36.01%	0.51%
2617	Belconnen, Belconnen DC, Bruce, Evatt, Giralang, Kaleen, Lawson, McKellar, University of Canberra	7,875	6,871,221	872.54	30.79%	0.39%

Taxation Statistics 2020–21[37] Table 7: Highest Average Deductible Gift by State and Postcode Income Year Ending 30 June 2021						
Postcode	**Locations**	**No. of Gifting taxpayers**	**Amount of Gift $**	**Average gift $**	**% Making Gift**	**% of Taxable Income**
NSW						
2008	Chippendale, Darlington	1,373	41,948,908	30,552.74	20.57%	9.66%
2029	Rose Bay	2,125	59,412,900	27,959.01	31.32%	6.29%
2030	Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay	2,921	75,830,855	25,960.58	30.62%	3.45%
2027	Darling Point, Edgecliff, HMAS Rushcutters, Point Piper	1,920	41,473,942	21,601.01	33.79%	3.34%
2023	Bellevue Hill	2,329	42,513,007	18,253.76	32.77%	2.73%
VIC						
3068	Clifton Hill, Fitzroy North	4,768	276,725,793	58,038.13	38.12%	21.89%
3944	Portsea	173	8,536,829	49,345.83	30.95%	6.90%
3186	Brighton, Brighton North, Dendy, Were Street PO	4,939	126,791,013	25,671.39	30.16%	5.00%
3661	Seymour	25	580,345	23,213.80	29.41%	12.65%
3142	Hawksburn, Toorak	2,998	38,951,357	12,992.45	30.91%	1.80%
QLD						
4105	Moorooka, Tennyson, Yeerongpilly	2,620	35,015,659	13,364.76	29.22%	5.20%
4007	Ascot, Hamilton, Hamilton Central	2,897	19,633,621	6,777.23	26.93%	1.53%
4558	Cotton Tree, Kuluin, Maroochydore, Maroochydore BC, Maroochydore DC, Sunshine Plaza	3,342	16,759,341	5,014.76	22.91%	1.97%
4215	Australia Fair, Chirn Park, Labrador, Southport, Southport BC, Southport Park	6,520	24,997,186	3,833.92	19.58%	1.41%
4060	Ashgrove, Ashgrove East	2,751	8,704,200	3,164.01	31.95%	1.00%
SA						
5137	Ashton, Marble Hill	108	808,619	7,487.21	29.03%	3.02%
5061	Hyde Park, Malvern, Unley, Unley Park	2,017	7,082,370	3,511.34	30.36%	0.94%
5278	Kalangadoo, Krongart, Moerlong, Wepar	49	166,405	3,396.02	15.08%	0.92%
5136	Norton Summit	72	240,423	3,339.21	22.02%	1.02%

[37] Postcodes with less than 100 individuals were excluded from analysis

Taxation Statistics 2020–21[37] Table 7: Highest Average Deductible Gift by State and Postcode Income Year Ending 30 June 2021						
Postcode	**Locations**	**No. of Gifting taxpayers**	**Amount of Gift $**	**Average gift $**	**% Making Gift**	**% of Taxable Income**
5415	Mintaro, Stanley	37	103,642	2,801.14	23.27%	1.27%
WA						
6011	Cottesloe, Peppermint Grove	1,939	499,634,018	257,676.13	29.17%	32.70%
6403	Grass Valley	16	62,992	3,937.00	13.56%	1.12%
6012	Mosman Park	1,597	5,116,452	3,203.79	27.52%	0.57%
6009	Broadway Nedlands, Crawley, Dalkeith, Nedlands, Nedlands DC	3,212	9,016,551	2,807.15	27.08%	0.50%
6071	Glen Forrest, Hovea	624	1,379,657	2,210.99	27.34%	0.83%
TAS						
7211	Cleveland, Conara, Epping Forest	18	314,506	17,472.56	14.17%	4.79%
7162	Birchs Bay, Woodbridge	129	2,055,637	15,935.17	29.52%	6.90%
7001	Hobart	44	377,496	8,579.45	13.75%	2.24%
7210	Campbell Town, Lake Leake	105	394,092	3,753.26	18.52%	1.29%
7004	Battery Point, South Hobart	1,781	4,417,966	2,480.61	34.13%	1.19%
NT						
851	Katherine	118	1,875,763	15,896.30	16.71%	3.82%
871	Alice Springs	238	323,580	1,359.58	24.51%	0.46%
814	Nightcliff	37	35,418	957.24	34.58%	0.36%
801	Darwin	111	99,596	897.26	26.30%	0.26%
874	Irlpme, Mount Johns, Undoolya	52	42,802	823.12	25.49%	0.27%
ACT						
2600	Barton, Canberra, Capital Hill, Deakin, Deakin West, Harman, HMAS Harman, Parkes, Russell, Yarralumla	2,238	12,060,850	5,389.12	37.92%	1.67%
2603	Forrest, Griffith, Manuka, Red Hill	2,553	13,215,677	5,176.53	35.31%	1.40%
2605	Curtin, Garran, Hughes	3,150	11,879,161	3,771.16	39.63%	1.48%

Taxation Statistics 2020–21[37] Table 7: Highest Average Deductible Gift by State and Postcode Income Year Ending 30 June 2021						
Postcode	**Locations**	**No. of Gifting taxpayers**	**Amount of Gift $**	**Average gift $**	**% Making Gift**	**% of Taxable Income**
2616	Belconnen	41	52,195	1,273.05	36.61%	0.50%
2614	Aranda, Cook, Macquarie, Page, Hawker, Jamison Centre, Scullin, Weetangera	5,017	6,354,454	1,266.58	37.15%	0.60%

Taxation Statistics 2020–21[38] Table 8: Occupation Code Income Year Ending 30 June 2021							
Occupation	**Total number of individual taxpayers**	**Taxable income**	**Total tax-deductible donations**		**Average gift**	**Percentage of donating taxpayers to total taxpayers**	**Donations as a percentage of taxable income**
		$ m	**no.**	**$ m**	**$**	**%**	**%**
Managers	1,619,257	186,348	582,838	847	1,453.43	35.99%	0.45%
Professionals	2,680,421	263,145	1,044,773	880	842.16	38.98%	0.33%
Technicians and Trades Workers	1,326,089	97,459	362,086	113	311.88	27.30%	0.12%
Community and Personal Service Workers	1,481,869	72,281	413,738	126	304.36	27.92%	0.17%
Clerical and Administrative Workers	1,567,871	102,715	548,428	223	407.46	34.98%	0.22%
Sales Workers	1,005,797	47,212	232,080	65	279.52	23.07%	0.14%
Machinery Operators and Drivers	711,658	49,197	213,430	73	339.90	29.99%	0.15%
Labourers	1,259,497	58,125	270,260	93	342.84	21.46%	0.16%
Other	3,481,730	157,015	525,972	1,972	3,750.14	15.11%	1.26%

[38] Source: Table 14: Taxation statistics 2020–21 Individuals: Selected items, by occupation, sex and taxable income range, 2020–21 income year. Australian Taxation Office (2023a) Taxation Statistics 2020–21.

Taxation Statistics 2020–21[39] Table 9: Donations by industry Income Year Ending 30 June 2021							
Occupation	**Total number of individual taxpayers**	**Taxable income**	**Total tax-deductible donations**		**Average gift**	**Percentage of donating taxpayers to total taxpayers**	**Donations as a percentage of taxable income**
		$ m	**no.**	**$ m**	**$**	**%**	**%**
Agriculture, Forestry and Fishing	69,062	4,292	11,951	30.20	2,526.69	17.30%	0.70%
Mining	1,132	106	225	0.66	2,938.08	19.88%	0.62%
Manufacturing	53,873	2,751	9,442	13.80	1,461.75	17.53%	0.50%
Electricity, Gas, Water and Waste Services	1,906	98	278	0.17	612.58	14.59%	0.17%
Construction	232,648	12,163	29,104	11.30	388.33	12.51%	0.09%
Wholesale Trade	12,564	721	2,106	1.67	791.92	16.76%	0.23%
Retail Trade	79,633	4,327	16,642	10.34	621.24	20.90%	0.24%
Accommodation and Food Services	27,479	1,286	3,940	1.91	485.58	14.34%	0.15%
Transport, Postal and Warehousing	187,318	8,002	23,837	9.65	404.82	12.73%	0.12%
Information Media and Telecommunications	25,024	1,591	6,342	4.33	682.80	25.34%	0.27%
Financial and Insurance Services	33,725	3,186	9,036	15.76	1,744.61	26.79%	0.49%
Rental, Hiring and Real Estate Services	26,049	2,041	5,233	13.91	2,658.63	20.09%	0.68%
Professional, Scientific and Technical Services	209,171	17,465	60,733	109.72	1,806.51	29.04%	0.63%
Administrative and Support Services	135,173	5,479	22,436	8.85	394.34	16.60%	0.16%
Public Administration and Safety	6,506	364	1,316	0.76	580.21	20.23%	0.21%
Education and Training	57,933	3,114	15,689	11.16	711.32	27.08%	0.36%
Health Care and Social Assistance	167,192	22,963	47,346	81.79	1,727.48	28.32%	0.36%
Arts and Recreation Services	92,087	5,176	25,126	35.37	1,407.67	27.29%	0.68%
Other Services	131,597	6,133	21,827	9.14	418.74	16.59%	0.15%
Other	11,538	1,232	2,882	6.70	2,324.10	24.98%	0.54%

[39] Source: Table 5: Taxation statistics 2020–21 Individuals: Selected items, by sex, state/territory and broad industry, 2020–21 income year. Australian Taxation Office (2023a) Taxation Statistics 2020–21.

7.0 INDEX OF CHARTS AND TABLES

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