

LIBRARY DONATIONS



TITLE: LIBRARY DONATIONS POLICY

ADOPTED BY: COUNCIL

RESPONSIBILITY: CHIEF EXECUTIVE OFFICER

NEXT REVIEW DATE: 28/01/2016

Version	Decision Number	Adoption Date	History
1			DRAFT
2			
3			
4			

1. PURPOSE

The Katherine Public Library, part of the Katherine Town Council, has a mission to enable and enrich the recreational, lifelong-learning and research activities of its patrons. It aims to reach the diversity of patrons in its community and does this by delivering flexible access to extensive and relevant information resources and by providing quality services and facilities.

The purpose of this procedure is to establish guidelines for accepting donations or gifts to Katherine Public Library.

2. DEFINITIONS

2.1 In this policy:

- a. **Katherine Public Library** includes the Katherine Public Library's Special Collections
- b. **Council** means the Katherine Town Council
- c. **Donations** includes all cash, property, in-kind support or other contribution received by the Council on behalf of the Katherine Public Library
- d. **The Library** means Katherine Public Library
- e. **Library Donations** refers to this document

3. GUIDING PRINCIPLES

- Donations will be accepted as they fit the Katherine Public Library current Collection Development and Management Policy and Procedures.
- Donations will be used to further the purposes and functions of Katherine Public Library.
- The Library accepts donations without obligation or conditions of management on the part of the Library. Katherine Public Library may consult with donors about the use of their donation; however final decisions will remain with the library management. Katherine Public Library may dispose of donations, the use or management of which, are outside the Library's core business, eg shares or trading stock.
- Donations will not be used for building up library funds, prize money or staff bonuses etc.
- Donations will in general not be used to fund normal library operational activities.
- Conflict between the interests and purpose of the Katherine Public Library and the private or commercial interests of potential donors will be avoided in all circumstances.
- Donors will not gain future benefits or preferential treatment from the Katherine Public Library or Katherine Town Council.
- By signing the Donation Form of the Katherine Public Library the donor agrees to the conditions as set by the Katherine Public Library, including for the Special Collections.
- Sponsorships are subject to the policies and procedures of Katherine Town Council.

4. PROCEDURAL STATEMENTS

4.1 APPLICABILITY

This Library Donations policy applies to all donations or gifts received by Katherine Public Library or Katherine Town Council on the Library's behalf which are to be used in meeting the objectives of the Katherine Public Library.

4.2 PROCEDURES

4.2.1 RECEIPT OF DONATIONS

Donations can be made by:

- Cash
- Not-cash, including but not limited to:
 - Library items, such as Books, Audio-Visual-Material, Serials
 - Furniture (including shelving, flooring etc)
 - Technical equipment
 - Supplies for Library programs
 - Works/Labour or repairs, e.g. plumbing, carpentry
 - Property, as defined in clause 4.2.3 Tax Deductibility

4.2.2 CONDITIONS OF ACCEPTANCE OF DONATIONS

- Donations will be accepted in accordance with clause 3 Guiding Principles.
- Materials purchased or received from donations will be housed in the Library and will be available to all library users.
- The donated amount must be received by the Library prior to resources being purchased.
- Donors will not receive benefits from donations, eg the Library will not purchase individual subscriptions for donors.
- Library events may be funded by cash donations. The Library will exercise its discretion in funding activities or event with cash donations.
- When an item is funded by a cash donation, the donor will where appropriate be recognised by appropriate signage. A letter or email of appreciation may be sent to the donor or sponsor.
- The Library will place donated items in any collection; and dispose of items not appropriate to the collection in accordance with the Library's Collection Development policy.

4.2.3 TAX DEDUCTIBILITY

"Property" in this clause includes physical things, rights and interests that are capable of ownership and have a value.

"Share" refers to a share in the capital of a company. Securities that are not shares, including derivatives of shares, are not included within this meaning. Also, shares that are suspended from trading (other than a mere trading halt) are not listed shares.

The Katherine Public Library is [seeking to be] endorsed by the Australian Taxation Office (ATO) as a Deductible Gift Recipient. Therefore, donations made to the Katherine Public Library may be able to be claimed as tax deductions.

The following information is provided as an overview of the types of donations that are income tax deductible, and associated guidelines. Further information on the deductibility of donations can be obtained from the ATO.

In all cases it is up to the donor, not the Council or the Katherine Public Library, to find out the value of the gift for tax deductibility purposes.

4.2.3.1 Cash Donations

The following donations of cash may be tax deductible:

- A gift of money where the total amount gifted is \$2.00 or more.
- A series of gifts of money, where the aggregate of gifts within one income year total \$2.00 or more.

4.2.3.2 Property Donations

The following donations of property may be tax deductible:

- A gift of property with a value of \$2.00 or more and purchased by the donor during the 12 months before making the gift. Property is considered by the ATO to be purchased if it is acquired by way of bargain or sale for money or some other valuable consideration. Therefore, prizes won in raffles, property received as a gift and inherited property do not fall into this category.
- A gift of property where the property is valued by the ATO at more than \$5,000.00. Testamentary gifts, i.e. gifts made under a will do not fall into this category.

4.22.3 Shares

Donations of shares may be tax deductible if:

- the shares were acquired in a listed public company; and
- when the shares are gifted, they are listed for quotation on the official list of an Australian stock exchange; and
- the shares were acquired at least 12 months before they are gifted; and
- the market value of the shares is \$5,000.00 or less on the day they are gifted. Testamentary gifts, i.e. gifts made under a will do not fall into this category.

4.2.3.4 Trading Stock

Donations of trading stock may be tax deductible if:

- The gift is a disposal of the trading stock outside the ordinary course of the donor's business; and
- If the gift involves the forced disposal or death of livestock — no income tax election has been made to spread or defer the profit. It is not necessary for the trading stock to have been purchased within the 12 months prior to the gift being made.

4.2.3.5 Cultural Gifts

Gifts of culturally significant property made under the Cultural Gifts Program administered by the Department of the Environment, Water, Heritage and the Arts (DEWHA) may be tax deductible if:

- The value of the gift is \$2.00 or more; and
- The guidelines of the Cultural Gifts Program are followed; and
- An endorsement is obtained by DEWHA under the Cultural Gifts Program. Testamentary gifts, i.e. gifts made under a will do not fall into this category.

4.2.3.6 Other Donations

Whilst any donations outside the ATO's guidelines may not be claimed as tax deductions by the individual, the Katherine Public Library will accept any such donations if they fall within *Section 3 Guiding Principles* and *Section 4.2.2 Conditions of acceptance of Donations* of this policy.

4.2.4 WINDING UP OF THE LIBRARY; OR CESSATION OF TAX DEDUCTIBLE STATUS

In the event that the Library is wound up, the Deductible Gift Recipient status ceases.

- The Library's Deductible Gift Recipient status may also cease to apply due to other circumstances.
- Upon winding up of the Library, or dissolution or revocation of the Library's Deductible Gift Recipient entitlement, any funds or items from donations remaining after satisfaction of all debts and liabilities, will be transferred to another deductible gift recipient approved under the Income Tax Assessment Act 1997.

5. **DONATION FORM**

See attached document.

6. **LEGISLATION BASE**

Income Tax Assessment Act 1997

7. **ASSOCIATED DOCUMENTS**

- Katherine Town Council By-Laws
- Katherine Public Library Policy

POLICY VERSION AND REVISION INFORMATION

Policy Authorised by: Neroli Dickens

Original issue: 27/01/2015

Title: Chief Executive Officer

Policy Maintained by: Colleen Kerr

Current version: 1

Title: Library Manager

Review date: 29/10/2015

**KATHERINE PUBLIC LIBRARY
DONATION FORM**

I have read and accept *clause 3 Guiding Principles* and *clause 4.2.2 Conditions of acceptance of Donations*, in this policy, for donations to the **Katherine Public Library**.

Description of Donation:

Information about the Donation, eg provenance, historical or cultural value:

Value of Donation: \$

Property Valuation Attached: YES / NO

Tax Receipt Required? YES / NO

If the donor wishes to use the donation for tax purposes, it is the responsibility of the donor to provide proof of value.

Signed..... Date.....

Name (Please print).....

Organisation.....

We thank you for your generous donation to the Katherine Public Library