

AVI CENTRES -- TAX EXEMPTION COUNTRY BY COUNTRY 2012

<http://www.auroville-international.org/avi-centres>

CANADA

AVI-Canada has a long-time status of a non-profit organisation recognised by Revenue Canada. At the end of each year, donors receive a receipt for tax purposes for all monetary donations made to the association. Donors include the receipt on their tax report and get thereafter from the government a tax refund of about 25% of their donations. AVI-Canada takes a deduction (12%) on all the donations of 100. \$ and more, in order to cover operating costs and promote specific projects. On the donations for the cyclone relief fund, no deduction has been taken. The association is run by volunteers.

FRANCE

French regulations on transferring funds to foreign organisations are very strict if the donor wants to receive a tax benefit. To comply with these regulations, AVI France had to change the wordings of a few of its 'statuts' (by laws). This has been done during our last General Assembly. The French donors/organisations, as AVI France, have to choose projects in the following fields: humanitarian, social, educational, and cultural. Moreover these fields have to be "chosen" in the beginning of the fiscal year. Thus from now on AVI France has the obligation only to fund projects located in Auroville in one or more projects in one or more of the just mentioned fields.

Undoubtedly members of France AVI during their regular stays in Auroville will come across interesting projects answering to the criteria required by the French authorities. I am almost certain that AVI France will receive requests for funding projects in Auroville directly. During meetings of the French Bureau of AVI France all the propositions put before it will be discussed, in close contact with regular & possible donors in France. As soon as possible the project leaders in Auroville will be informed about the decisions

GERMANY

Tax exemption in Germany means that by giving donations to charities people can reduce their tax relevant income. All donations up to a maximum of 20 percent of one's yearly income will be deducted from the income. It is also possible, if in one year the donation has exceeded 20 percent, to transfer the surplus to the next financial year.

It is necessary for the receiving organization to be registered as a charity organization. AVI Germany currently has this status and issues the respective tax exemption certificates to the donors at the end of each year.

Generally, AVI Germany receives donations which are specified by the donor for a specific purpose or project (ex. Matrimandir). Only about 5 percent are non-specified donations, which are partly used for the association's own activities (like sponsoring youth at the annual meeting), partly they are used to respond to urgent project appeals from Auroville.

Apart from a few exceptions (ex. Matrimandir) AVI Germany keeps 5 percent of the donation to cover the administrative expenses connected with its status of a charity organisation.

NETHERLANDS

Auroville International Netherlands has a tax-exemption status, that is called ANBI here (something like "Institution Aiming at Public Usefulness"). It is the donor who can deduct the donation from his/her taxable income in the Netherlands up to a certain level. We have no income out of it, but it makes us evidently more attractive as an organisation to give a donation to.

Donations to AVI NL stipulated in a testament are fully exempt from inheritance tax.

At someone's request, the treasurer issues a written document testifying the donation and tax-exemption status, but this rarely happens.

We deduct 5% from the donations to cover our banking and other expenses. Above € 10.000,- , it has been 1%. The centre is run by volunteers.

SWEDEN

In Sweden there are no possibilities for tax exemptions relating to donations.

UK

For the UK, we do have tax exempt status:

For the first £5000 of any donation, or for donations under £5000:

- UK taxpayers, where we can claim tax relief (Gift Aid): We take no admin costs, and pass on 50% of the tax relief received from the government (i.e. the project will receive 12.5% in addition to the donation received).

- Non-taxpayers: We take 7% of the donation to cover our admin costs. For the remainder of any donation above £5000, we pass on the total tax relief (25%) and charge no additional admin costs.

USA.

Auroville International USA is a **tax-exempt educational nonprofit** organization under section 501(c)(3). This means that your **donation** to Auroville International USA is tax deductible. We reserve 1/12th or 8.33% of the donations passing through Auroville International USA cover our operating expenses which include a professional audit. We accept donations for projects in Auroville as well as our work in America. Checks are preferred over credit cards for larger donations to save processing fees.

SWITZERLAND

Tax exemption in Switzerland

Swiss organizations are tax exempted in Switzerland when they can prove that they are public utility and recognized as such by the tax authorities.

If a Swiss donor gives funds to such organizations, the organization and the donor are tax exempted. If a foreign donor gives funds, the Swiss organization will be exempted, it will deliver a certificate to the donor for the amount, and it remains the responsibility of the tax authorities of the foreign donor to exempt him.

If a Swiss donor gives funds to a foreign organization – NGO, etc. – he will not necessarily be exempted, because the tax authority does not check all the account of this organization to check if it is conform. If I, Camille, give funds to Auroville, I will not be exempted to pay tax on this amount.