

Fact sheet: Men's Sheds

General information about the eligibility of Men's Sheds to be registered as charities with the ACNC.

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Can Men's Sheds be charities?

Providing it meets the requirements for registration, a Men's Shed can be registered as a charity.

Registration as a charity with the ACNC requires a Men's Shed to demonstrate that it:

- is not-for-profit,
- is established and operated only for charitable purposes (or purposes which are ancillary to a charitable purpose), and
- does not have a disqualifying purpose.

In meeting the requirements for registration, a Men's Shed's activities must be consistent with the purposes set out in its constitution and it must operate for the benefit of the public.

This means that it must be open to new members joining, rather than being a closed group with a restrictive membership. In cases where a Men's Shed requires its prospective members to be proposed and accepted by its existing members, there is a danger that the membership may be considered too restrictive for the purposes of charity registration.

Most Men's Sheds meet the requirements for registration and are registered as charities with the ACNC. Even though individual Men's Sheds may have different constitutions and undertake different activities, most registered Men's Sheds are registered with a charitable purpose of 'advancing health' or 'advancing social and public welfare'. However, when assessing a Men's Shed's application for registration as a charity, the ACNC will consider the specific details and circumstances of each one.

For a comprehensive explanation of the requirements for registration as a charity with the ACNC, please read the ACNC's fact sheet at acnc.gov.au/WhoCanRegister.

Can a Men's Shed be registered as a Health Promotion Charity (HPC)?

An Health Promotion Charity is a subtype of charity. A Men's Shed can apply to the ACNC for registration under this subtype; however, it usually will not qualify.

To be registered as a Health Promotion Charity, a Men's Shed must:

- Be established and operated only for charitable purposes (or purposes which are ancillary to a charitable purpose);
- Be 'an institution'. In practice this means that it must undertake a sufficient level of activity, rather than simply distributing funds or making property available for others. Most Men's Sheds will have no difficulty in meeting this requirement; and
- Have a principal activity that 'promotes the prevention or control of diseases in human beings'.

It is the third requirement that is most often contentious for Men's Sheds that apply for registration as an HPC.

"Principal activity" means the main activity that the Men's Shed does, or the activity that it conducts more than any other activity.

The term 'disease' has a broad meaning and can include conditions such as depression or other mental illnesses.

An HPC may undertake a wide range of activities. However, there must be a direct link between its activities and promoting the control or prevention of a disease. For example, activities which merely promote general health and wellbeing would not qualify an organisation as an HPC, whereas programs to prevent or alleviate specific diseases, such as depression, would.

For more information about registering as a Health Promotion Charity, see acnc.gov.au/HPC.

Can a Men's Shed be registered as a Public Benevolent Institution (PBI)?

A PBI is a subtype of charity. A Men's Shed can apply to the ACNC for registration under this subtype; however, it usually will not qualify.

To be registered as a PBI, a Men's Shed must:

- Be established and operated only for charitable purposes (or purposes which are ancillary to a charitable purpose);
- Be 'an institution'. As stated, in practice this means that it must undertake a sufficient level of activity, rather than simply distributing funds or making property available for others. Most Men's Sheds will have no difficulty meeting this requirement;
- Be 'public'. This means that it must meet certain criteria which give it a 'public' character. The main criterion is that it helps a sufficient class of beneficiaries.
- Have a main purpose of providing benevolent relief to people in need (such as relief of poverty, distress, or helplessness). The need of the people it helps must be of such seriousness that it arouses compassion in the community. Any other purpose it has must be ancillary to this main purpose of benevolent relief.

Men's Sheds usually do not target a demographic with needs that call for benevolent relief; in most cases, a Men's Shed provides a facility for men in various circumstances. As such, a Men's Shed is unlikely to qualify for registration as a PBI. However, if a Men's Shed targeted a particular disadvantaged group, such as indigenous people or people with disabilities, it may be registered as a PBI.

For more information about registration as a Public benevolent Institution, see acnc.gov.au/PBI.

Other subtypes

There are other subtypes that a Men's Shed is likely to be registered under, the most common ones are:

- 'advancing health'
- 'advancing social or public welfare'.

These subtypes are different to HPC and PBI and are not subject to the same registration criteria. However, they do not provide access to endorsement as a Deductible Gift Recipient

from the ATO. You can find more information about these two subtypes and others on at acnc.gov.au/CharitySubtypes

More resources

Commissioner's Interpretation Statements on Health Promotion Charities and Public Benevolent Institutions: acnc.gov.au/CIS

Information on eligibility for registration with the ACNC: acnc.gov.au/WhoCanRegister

Charity subtypes and charitable purpose: acnc.gov.au/CharitySubtypes

ACNC Information about charity tax concessions: acnc.gov.au/TaxConcessions

This fact sheet contains general information only. For specific advice, we recommend contacting the ACNC or obtaining advice from a professional advisor.