

# Supplementary information

## DGR1 FAQs: Advice for AAG members

### 1. Why are we changing the AAG Constitution?

As foreshadowed at the 2024 Annual General Meeting, changes to the Constitution are required to support our application for Deductible Gift Recipient (DGR) status as a [Health Promotion Charity](#).

The changes relate to Purposes and Objects of the AAG Constitution to better align the language with the terminology used by the Australian Charities and Not-for-Profits Commission (ACNC) and Australian Taxation Office.

These changes to the Constitution form the basis of the Special Resolution being presented at our 2025 Annual General Meeting.

### 2. Why are we applying for DGR status?

We all want the AAG to be financially independent and robust to enable it to continue to be Australia's leading organisation for connecting research, policy and practice to improve the lives of older people. Previously, AAG was heavily reliant on government grants to subsidise our work and, while some government funding continues today, over the past several years we've been exploring other ways to grow our income stream to support research grants programs and other membership offerings.

Being endorsed as a DGR allows an organisation to qualify for some additional sources of funding. The Australian Association of Gerontology Limited is registered as a charity, but it is currently NOT endorsed as a Deductible Gift Recipient (DGR). This means that if anyone wants to give money to the AAG, they would not be able to claim it as a tax-deductible donation. AAG also cannot receive money from foundations or funds that are Private or Public Ancillary Funds and are only able to give funds to Type 1 DGRs. If our application is successful, this would allow people to donate to the AAG and claim that donation as a tax deduction and would also enable AAG to apply for funds from philanthropic sources to support its work, particularly the research grants program.

### 3. How is this different from the *Research Trust's* current DGR status?

There are two types of DGR status:

- Type 1 DGRs are organisations that “do activities” that serve the public and use tax-deductible donations to fund these activities. Examples include health

and disability charities, public benevolent institutions, universities, environmental organisations, etc. This is the type we are applying for.

- Type 2 DGRs “give funding” but generally can’t do other activities. The AAG Research Trust currently has DGR2 status – it can receive tax-deductible donations to support its research grants programs but cannot be supplemented by funding from other sources such as philanthropic funds. The Research Trust itself can also only give grants to organisations with DGR1 status.

## What will change?

### 1. What category of DGR1 are we applying under?

There are [several specific categories](#) under which a charity can apply for DGR status and there is a limited range of DGR1 categories which apply to the work of the AAG. AAG is applying for DGR status as a [Health Promotion Charity](#).

This category is a 'charitable institution whose principal activity is to promote the prevention or the control of diseases in human beings'.

For this purpose, 'disease' is a broad term and includes both physical and mental health conditions. Examples given by the ACNC include asthma, cancer, clinical depression, diabetes, heart disease, hepatitis, multiple sclerosis, post-traumatic stress disorder, and viral infections.

We recognise that this definition of 'health promotion' is not consistent with contemporary understanding of ageing as a life course issue, nor does it fully encompass the broader social, environmental, and other factors that impact ageing. However, the AAG Board has determined based on legal advice that it is the best 'fit' for AAG within the constraints of the DGR categories and the regulatory environment.

### 2. What about our work that is not about diseases and health promotion? Will our activities or messaging about ageing going to need to change?

Our members, and our work, are broader than just focusing on diseases, or even on health promotion. This is an important feature of our organisation. Further, it has long been AAG's argument that ageing is a broad and complex area that should not be equated with or narrowed down to disease and decline. Our position on this has not changed.

We will continue to have scope to conduct work that is not about the prevention and control of diseases, including expanding the broader understanding of ageing as a

multifaceted, dynamic, and individual process that is not solely defined by physical functioning.

While the activities of promoting the prevention or control of disease must be the *main focus* of an HPC, these do not need to be the organisation's only activities. Paragraph 53 of the ACNC's Commissioner's Interpretation Statement on Health Promotion Charities states that

*“An HPC may undertake activities that are unrelated to promoting the prevention or control of diseases in human beings as long as those activities do not amount to the principal activity.”*

In fact, as we are currently registered with the charity sub-types 'advancing health' and 'advancing social or public welfare,' we would be expected to have other activities.

However, to maintain our DGR1 status, we will sometimes need to prioritise certain types of events or activities that relate to disease prevention or control.

This is because the status as a Health Promotion Charity requires that prevention or control of diseases must be an organisation's *principal activity*. An organisation's principal activity is the activity it conducts more than any other. It is important to note that this does not mean it must take up the majority (meaning more than 50%) of our time and resources. It only requires that it takes up *a greater share of our time and money than each of our other activities*.

Since the AAG already conducts a large number of activities relating to a broad range of physical and mental health conditions, it is unlikely to significantly impact our current activities and events. It will also not affect our current partnerships and collaborations.

## 3. What is the process?

### 1. How will updates related to DGR1 be communicated to members and stakeholders?

Updates and decisions will be communicated to members through our current communications channels: *Thursday Three*, AAG's Community platform, and where appropriate (or required under our organisation's rules), via direct email.

Some of our public-facing materials on the website may also be updated as part of our regular processes to ensure that the new purpose is reflected in our messaging.

### 2. What happens next?

The changes to the AAG constitution are the first step in the process to achieve DGR1 endorsement. This includes an application to the ACNC.