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# PM gives OLPC donors \$2.4m tax break

By Ben Grubb, ZDNet.com.au on May 28th, 2010

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**Prime Minister Kevin Rudd last night announced that Treasury would grant deductible gift recipient status to the Australian branch of the One Laptop per Child (OLPC) project.**

The organisation has delivered over 1500 laptops to 20 disadvantaged schools in the Northern Territory, Western Australia and Queensland, according to the Prime Minister's department.

Currently, organisations seeking to raise money for a cause are not given deductible gift recipient status by default. They have to apply for it and get it approved by the Treasury's department. What the status means is that when it comes to claiming expenses, companies that donate to the cause will now be able to claim their donation as a tax deduction.

"With the assistant treasurer, I am delighted to announce that the government will amend the income tax law to make donations of \$2 or more to OLPC Australia tax deductible," Rudd said last night at an OLPC function in Sydney marking the organisation's one-year anniversary locally.

The decision was to be effective from yesterday, subject to public fund requirements, and run until 30 June 2012. It's expected to cost the Federal Government \$2.4 million. "This is a practical way

to support the important work that OLPC Australia is doing to give children the chance to reach their potential," Rudd said.

He said that the organisation would now be in a significantly better position to attract private and corporate donors to raise funds to meet its 20,000 laptops deployed by the 2012 objective.

Legislation to amend the *Income Tax Assessment Act 1997* to give effect to the announcement was to be introduced "as soon as practicable", a statement from the Prime Minister's office said.



**Kevin Rudd**

(Credit: Commonwealth Government)