The Mapleton Community Benefit Fund: A Detailed Guide

The Mapleton Community Benefit Fund has been established by the Mapleton & District Community Association (MADCA) to give local donors, businesses and community groups a straightforward, tax-effective way to support projects across the district. This guide sets out how the fund works, how it is structured, and how local organisations can put it to use.

Origins of the Fund

The fund was established following a $25,000 bequest from the late John Reynolds OAM, a local resident and long-time community advocate. MADCA has long supported local groups through surplus funds generated by the Mapleton Country Market, but without formal tax-deductible status, the association's capacity to attract larger donations or fund significant infrastructure projects was limited. The Reynolds bequest became the catalyst for setting up a proper structure to address that gap.

How the Fund Is Structured

The Community Benefit Fund has been established as a Named Fund under the Australian Communities Foundation (ACF), one of the country's largest charitable bodies. The ACF works with around 700 partner organisations and individuals, has operated for 30 years, and manages approximately $170 million in funds nationally.

The ACF holds Deductible Gift Recipient (DGR1) status with the Australian Taxation Office, one of a small number of categories the ATO uses to decide which organisations can offer tax deductions to donors. Operating through the ACF means MADCA does not need to hold DGR status itself, and does not need to be a registered charity, to offer this facility to the community.

Funds are split across two streams, the Main Fund and the Extension Fund, each suited to different kinds of projects.

The Main Fund: Tax-Deductible Projects

The Main Fund is for projects the ACF assesses as DGR1 aligned. Donations made to these projects are tax-deductible for the donor.

DGR1 alignment is not limited to council-style infrastructure like parks and playgrounds. A project is more likely to qualify when it is open to the general public and falls into a recognised area of public benefit, such as:

- Health promotion, including community health screening programs or wellbeing initiatives open to residents
- Environmental protection, such as bush regeneration along a local creek or waterway

- Education, including initiatives open to residents of all ages
- Arts, culture and heritage, such as a public heritage display or cultural project

What tends to work against a project is if the benefit is restricted mainly to a club's own paying members rather than the wider community. Each project is assessed individually by the ACF, which confirms whether it meets the criteria before fundraising begins.

The Extension Fund: Flexible Support

The Extension Fund is the more accessible pathway for many local groups, and is designed for projects that may not meet DGR1 alignment. Donations to these projects are not tax-deductible, but can still be raised and held securely through the fund. Examples of the kind of activity suited to this stream include:

- A sports club raising money for new equipment or uniforms for its members
- A choir fundraising for costumes or instruments
- A kindergarten raising funds for play equipment for enrolled families
- A community group covering the running costs of an annual local event

This gives smaller or member-focused groups a safe, professionally administered place to raise and hold money, even where the project would not qualify for tax deductibility. Funds can be moved from the Extension Fund into the Main Fund at a later stage if a project's status changes, though not in the other direction, so groups unsure which category they fall into can start in the Extension Fund and progress from there.

Investment, Costs and Protections

Both funds are professionally invested through the ACF, with historical returns of around 9 percent. When funds are withdrawn for an approved project, an operational cost of approximately 7.5 percent applies, which covers the ACF's management, compliance and administrative functions.

Money held in either fund is permanently ring-fenced. It cannot be accessed by MADCA for day-to-day operations or absorbed into general running costs under any circumstances. All disbursements are managed and approved through the ACF, which also handles compliance with ATO regulations on behalf of the fund.

For groups considering a bequest or a larger donation, this structure also offers a degree of legitimacy and protection: the money is held securely within the ACF rather than passing directly to the requesting organisation and can only be released for ACF-approved purposes.

Eligible Activities

Beyond the specific examples above, the fund is intended to support a broad range of local priorities, including health, sport and recreation, environmental protection, arts, culture and heritage, education across all ages, and community resilience.

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How to Get Involved

- **Donate:** Contributions to Main Fund projects are tax-deductible and can be made directly to support an approved project.
- **Discuss a project:** Local groups can contact MADCA to talk through whether a project might suit the Main Fund or the Extension Fund, and what the ACF would need to assess it.
- **Get in touch:** Enquiries can be directed to enquiries@madca.com.au.

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