



The New Zealand Institute  
of  
Driver Educators Incorporated

# Memo

To:	NZIDE Membership
From:	NZIDE Treasurer
Date:	15 June 2022
Re:	NZIDE Constitution – Change Clause 20 - Winding Up - to meet IRD Requirements for Not for Profit status

NZIDE became GST registered from 01 June 2021. To do this, NZIDE was required to create an Inland Revenue number. As a result of NZIDE being registered with Inland Revenue, we received a request to file an Income Tax Return for the IRD financial year ending 31 March 2022. We contacted our accountant and they said to respond to Inland Revenue advising them we are a not-for-profit organisation, and advising them that NZIDE derives exempt income, so is not required to file a tax return.

Part of the response from Inland Revenue Department is the need for NZIDE to update our Constitution Clause 20 - Dissolution. The wording IRD suggests we add to our current Clause 20 is:

"If upon winding up or dissolution of the organisation there remains after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid or distributed among the members of the organisation but shall be given or transferred to some other organisation or body with similar objects to the first organisation or for some other charitable purpose, within New Zealand."

Our current clause 20 reads as follows:

## 20. DISSOLUTION

*If upon the winding up of the Institute in terms of Section 24 of the Incorporated Societies Act 1908 there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to, or distributed among members of the Institute, but shall be given or transferred to some other Institute or Institution as may be determined by the Executive.*

*Provided that by such gift or transfer, no member of the Institute shall gain benefit.*



# The New Zealand Institute of Driver Educators Incorporated

**Motion** that the NZIDE Constitution 2018 Rule 20 has the following paragraph added as requested by the Inland Revenue Department:

If upon winding up or dissolution of the organisation there remains after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid or distributed among the members of the organisation but shall be given or transferred to some other organisation or body with similar objects to the first organisation or for some other charitable purpose, within New Zealand.

**Motion moved by:** JULIET DALLEY (National Treasurer NZIDE)

Signed: *J Dalley* 26 June 2022

**Motion seconded by:** Carolyn Ax (NZIDE Vice President)

Signed: *Carolyn Ax* 26 June 2022

### ***Mission Statement***

*To Promote and develop better driving standards among motorists and promote greater road safety by the encouragement of better driving through professional instruction.*