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Comparative Chart of NGO Framework Legislation In Selected EU Member States

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*†	Establishment		Taxation		
	Legal personality	Minimum capital	Exemption status	Individual	Corporate
Belgium	Yes, acquired by royal decree or publication of statute.	Foundation requires 1,000,000 euros	Not subject to corporate income tax No tax paid on donation income.	May deduct amount of donation up to 10% of total net income, maximum 250,000 euros	May deduct the amount of donation up to 5% of gross revenue, maximum 500,000 euros.
Finland	Yes, acquired by registration.	Foundation requires 25,000 euros	Generally subject to company tax on all income (28%)	No tax deduction for gifts to NPOs.	Tax deductible if between 840 and 25,000 euros per year.
France	Yes, acquired by declaration of local officials, and publication in official journal.	State-approved foundation: 762,000 euros Corporate Foundation: 152,000 euros	Not liable to corporate tax, but are liable to income tax on their assets, local taxes, and payroll tax.	May deduct up to 40% of a contribution.	May deduct up to 3% of turnover for contributions to associations and foundations.
Germany	Yes, acquired by registration.	None required; in practice, officials require 25,000 – 50,000 euros.	NPOs do not pay income tax on donations or investment income.	May deduct up to 5 % of income before the deduction of the donation. May deduct up to 10% where the donation is to scientific and charitable organizations or “cultural organizations recognized as especially deserving of support.”	Businesses may deduct donations up to 0.2% of the sum of turnover and salaries
Italy	Yes, acquired by recognition by government authorities	Yes, recognition is contingent on having sufficient assets to pursue statutory objects.	NPOs dealing with education, culture and welfare are entitled to a 50% income tax reduction	May deduct up to 2% of a contribution. There is a fixed ceiling of gifts made to the Italian Catholic Church and “helping people in developing countries.”	May deduct up to 2% of a contribution.
Netherlands	Yes, acquired by notary action.	No	Subject to common law regarding taxes. May be subject to corporation tax if directly competing with business. Must pay local taxes.	May deduct amount of donations exceeding 1% of gross income or 54 € up to 10% of gross income.	May deduct donations exceeding 227 € up to 6% of annual taxable profits. Gifts that are related to business interests (serve a business purpose) may be deducted without restriction

* The same law applies to both associations and foundations unless otherwise noted.

† Sources: Focus on the Stars: Foundation Law in the European Union, Summer 2002; Communication from the Commission on Promoting the Role of Voluntary Organizations and Foundations in Europe.

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Spain	Yes, acquired by a contract of association.	No	Exempt from corporate income tax if at least 70% of net income is used for statutory purposes.	May deduct 20% of value of a donation as long as it does not exceed 10% of total taxable income.	May deduct an amount equal to the value of the donation up to 10% of taxable base, or .1% of their turnover.
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