

Cultural Gifts Program Guide

Tax incentives for cultural gifts to Australia's public collections



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Ministry for the Arts

www.arts.gov.au/cgp

Cover image: *Spanish Portrait*, Hilda Rix Nicholas c1912, donated to the Newcastle Region Art Gallery

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Contacts for the Cultural Gifts Program

Detailed information about the Cultural Gifts Program is available on our website:

www.arts.gov.au/cgp

For further information please do not hesitate to contact our program officers:

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Introduction

The Cultural Gifts Program encourages Australians to donate items of cultural significance from private collections to public art galleries, museums, libraries and archives. Gifts can range from paintings, books, sculptures, manuscripts and personal papers to jewellery, ceramics, technological, mechanical, scientific or social history collections.

The principal legal provision for the program is subdivision 30-A of the Income Tax Assessment Act 1997 (the Act). An edited extract of the relevant sections of the Act is at Appendix A of this guide.

Donors are eligible for the following tax incentives under the program:

- w The market value of the gift is fully tax deductible, with some exceptions (see 'Limitations on tax deductions').
- w Donors can elect to spread the deduction over a maximum of five income years.
- w Gifts are exempt from capital gains tax.

Donors may also claim a tax deduction for the cost of valuations obtained specifically for this program.

Each donation to the Cultural Gifts Program involves a participating recipient institution, at least two approved valuers, the donor and the Department administering the program.

The donor negotiates the potential gift with the recipient institution. The institution determines that the gift conforms with its collection policy, formally accepts the gift into its permanent collection and submits the necessary documentation.

Donations must be accompanied by at least two valuations of the current market value of the gift, provided by approved valuers.

Valuers are approved specifically to participate in the program by the Secretary of the Department administering the program.

The average of the valuations may be claimed as a tax deduction, with some exceptions, for the year in which the gift was made or the deduction may be apportioned over a period of up to five income years.

The Minister responsible for the Arts is responsible for the administration of the program up to the point at which claims for tax deductions are lodged with the Australian Taxation Office (ATO).

The Cultural Gifts Program is administered by a secretariat based at the Department in Canberra.



Oological collection donated to the CSIRO
Beetle collection donated to the Tasmanian Museum and Art Gallery

How the program works

Recipient institutions

Approval to participate in the program

To participate in the program, a public collecting institution must initially confirm with the Australian Taxation Office (ATO) that it is endorsed as a Deductible Gift Recipient (DGR) as a public art gallery, museum or library (including archives) for the purposes of subsection 30-15(1), item 4 of the Act.

The institution then submits to the secretariat:

- w a copy of the notification from the ATO advising DGR status; and
- w a copy of its authorised collection policy, including a mission statement, acquisition policy, collection care, deaccessioning and disposal policy, loans policy and the mechanism for review.

Collection policies

As gifts under the program must form part of a collection being maintained or established, it is important that the secretariat is notified of any changes or updates to an institution's collection policy.

Deaccessioning

Within the spirit of the Cultural Gifts Program, gifts should be accepted on the basis that they will form part of an institution's permanent collection. However, it is acknowledged that changes in collection policies may occasionally result in the need to deaccession items.

If items are removed from a collection this should be done in accordance with the institution's authorised deaccessioning policy. Gifts under the program should not be returned to the donor as the donor has already received the benefit of a tax deduction for the gift.

Roles and responsibilities

The recipient institution has the following responsibilities:

- w Ensure the proposed gift conforms with the institution's collection policy, that it will be of ongoing value and formally accept the gift into its permanent collection.
- w Check whether there are conditions attached to the gift and advise the donor of any limitations that may apply (staff should seek assistance from the secretariat if they are unsure what the limitations may be).

- w Ensure that the donor has clear title to the gift before it is donated and that it does not conflict with other legal provisions, such as the Archives Act 1983, the Copyright Act 1968 and the Protection of Moveable Cultural Heritage Act 1986. If appropriate, the institution should check whether copyright is included with the gift.
- w Ensure that the acquisition of Indigenous cultural property adheres to state/territory and Commonwealth legislation covering the ownership/sale/return of skeletal remains and artefacts and objects having religious or cultural significance. Institutions should also note the Museums Australia policy document Continuous Cultures, Ongoing Responsibilities: Principles and guidelines for Australian museums working with Aboriginal and Torres Strait Islander cultural heritage (February 2005).
See www.museumsaustralia.org.au under Activities > Policies.
- w Assist donors in obtaining valuations from approved valuers, as required, and assist valuers with information that may help them in their valuations. A list of approved valuers is available on the program's website www.arts.gov.au/cgp. If a recipient institution or donor has difficulty locating suitable valuers they should contact the secretariat for assistance.
- w Institutions are asked to provide a copy of the Certificate of Donation to the valuers undertaking the valuations as some of the information provided by the donor is required on the Valuation Certificate.
- w Ensure that the Valuation Certificate is dated within a period of 90 days before or after the date of donation. If valuations are dated outside this period an explanatory letter should accompany the documentation. The acceptability of valuations outside the 90 day period is a matter for the discretion of the Commissioner of Taxation.

Please note that valuers may meet the legal requirements by assigning a value that reflects the market value on the date of donation, rather than the value at the date the donated material was actually valued. The Valuation Certificate asks valuers to state whether the valuation is as at the date of donation or as at the date of valuation and urges valuers to provide a valuation as at the date of donation if the valuation is determined outside the 90 day period.

- w Ensure that valuations are well substantiated and that the information provided accurately reflects the item(s) being donated. Valuations should be checked by the recipient institution before being forwarded to the secretariat.
- w Explain wide variations in valuations. For legitimate reasons, such as the differing markets of an auction house and a private dealer, unusually wide discrepancies may occur in the valuations of two valuers. Where there is a wide variation the institution should ask valuers to provide further explanation and justification of their assessments. If the explanations do not appear to justify the variation, the institution may wish to arrange a third valuation.

Program forms

A checklist is available on the CGP website to assist recipient institutions to prepare the required documentation. This checklist should be completed and submitted with the donation paperwork. Institutions should ensure that the current versions of all forms are used. All forms are available at www.arts.gov.au/cgp under Forms and Certificates.

Date of donation

The date of donation is the date the gift is given by the donor and formally accepted by the recipient institution. This date is entered by the institution on the Certificate of Donation. It is this date that determines in which financial year the donor can claim a tax deduction for the gift. This date is also the date of effect of the formal transfer of ownership, custody and control from the donor to the recipient institution.

Valuation costs

If the valuations are obtained solely to determine the market value of a gift under the Cultural Gifts Program, donors are entitled to claim the cost of the valuations as a tax related expense (section 25-5 of the Act). Participants are reminded that any fees which valuers may charge are payable either by the donor or institution—this should be settled in consultation with the donor. Please note that in no case will the Department accept responsibility for such charges.

General guidelines

Beyond the procedural requirements described above, the secretariat seeks the cooperation of recipient institutions in helping to ensure that the Cultural Gifts Program is administered in a fair and legal manner by:

- w ensuring the same degree of care and responsibility are afforded to gifts as are afforded to the purchase of acquisitions—in recognition that the policy objective of the program is to attract culturally significant material into public collections and that gifts are funded by the Australian Government through the donor's tax deduction;
- w ensuring that valuations are undertaken objectively and independently. Donors or institutional representatives must not attempt to influence a valuation outcome;
- w accepting that the secretariat reviews valuations to ensure that they reflect current market value and may request that additional information or valuations be provided; and
- w ensuring that donors do not receive any advantage of a material nature (for example, free or discounted entry or membership fees) that could result in the Commissioner of Taxation disallowing a deduction.

Providing the correct documentation is important

At all stages recipient institutions and valuers are encouraged to cooperate in providing the requisite donation documentation and any requests for additional information in a timely and accurate manner. Failure in this regard could result in the deferral of a gift and the loss of support of a donor.



John Coburn sketchbooks 1970-73, donated to the National Gallery of Australia

Valuers

Approval to become a valuer for the program

To value a gift for the program a valuer must be approved for this specific purpose by the Departmental Secretary, in accordance with section 30-210 of the Act. To apply for approval applicants should:

- w submit an Application for Approval as a Valuer which
 - identifies the class(es) of property for which he/she is applying—refer to Appendix B for guidance on classification of areas of valuing expertise and Appendix D for the ‘Glossary of terms for valuers’; and
 - demonstrates evidence of relevant experience in particular areas;
- w be nominated by a major public institution that collects material in the area of the applicant’s expertise (the Nomination of a Valuer form is to be completed by the Director or Deputy Director (or equivalent) of the institution);
- w provide reports using the Valuer Referee Report form from two professional referees for each class of property, both of whom must be qualified to comment upon the expertise of the applicant and one of whom must be an appropriate specialist staff member of the nominating institution; and
- w note and sign the Code of Conduct for Valuers and submit it and a signed Valuer Private Interests Assurance form.

The secretariat reviews the material supporting the application and reserves the right to seek additional information and/or referee reports.

The secretariat makes recommendations to the Departmental Secretary who approves valuers for the program.

All forms to be completed are available at www.arts.gov.au/cgp.

Approval conditions

Once a valuer is approved, he/she is advised in writing and his/her name is entered on the List of Approved Valuers for the Cultural Gifts Program. A list of approved valuers is available on the program website at www.arts.gov.au/cgp.

The following conditions apply to the approval of valuers.

- w The Departmental Secretary may approve or revoke the approval of a valuer in accordance with section 30-210 of the Act. The Secretary takes into account the applicant’s qualifications, experience and knowledge in valuing the kind of property in question, knowledge of current GST inclusive market values and standing in the professional community.

- w Approval is for the sole purpose of undertaking valuations for the Cultural Gifts Program and does not confer an official standard of expertise for wider business activity.
- w Valuers approved to participate in this program are asked to clearly specify the context of their approval if they wish to advertise – they must specify that their approval status is only in relation to the Cultural Gifts Program and certain classes of property. The following wording is to be used:

Approved to value [specify class(es) of property] for the Australian Government’s Cultural Gifts Program.
- w Valuers are approved by the Departmental Secretary for an indefinite period. However, valuers’ continuing eligibility is subject to review every five years.

Extending approved classes of property

Occasionally valuers are asked to value items outside their approved classes of property. If the item is closely related to the existing classes, it is generally acceptable for the valuer to assess the item following consultation and approval from the secretariat.

However, if this happens regularly, the secretariat asks that valuers formally apply to extend their classes of property to include these additional categories. This can be done by writing to the secretariat with the details of the new categories and providing reports from two referees for each class of property. One of the referees should be a senior curatorial or administrative staff member from a participant institution that collects material in the nominated categories. The secretariat will review the application and make a recommendation to the Departmental Secretary on the application to extend the classes of property that may be valued.

Roles and responsibilities of valuers

Valuers are responsible for valuing a gift and completing the Valuation Certificate. In doing so, valuers should:

- w view first hand the objects they are valuing as this will assist in providing more accurate valuations. In cases where secondary sources, such as photographs, are relied on, the valuer should explain why a secondary source was used;
- w list the evidence that has been produced to demonstrate authenticity and history of ownership, and state whether this evidence is satisfactory or if further inquiries are warranted to establish provenance or authenticity;
- w list specific published references to the donated item/s, not the artist/maker (the valuer should provide full details for cited references—website references should include the name of the institution or organisation responsible for the website, the date it was accessed and the full URL);

- w ensure that all information provided in the certificate is accurate and well substantiated – the secretariat pays particular attention to these areas and will request further information where relevant sales are not included or sufficient justification is not provided; and
- w note that valuations and the price paid for comparable material are required to be provided as the GST inclusive market value in Australian dollars. Valuers are asked to convert valuations provided in a foreign currency as at the date of donation and convert sales prices in a foreign currency as at the date of the sale. The secretariat asks that valuers refer to the Reserve Bank of Australia’s website for conversion rates: www.rba.gov.au/Statistics/HistoricalExchangeRates/index.html.

Agency relationship

Valuers who have been an agent for the artist or donor within the past three years must not provide a valuation unless given prior approval from the Department. An information sheet providing information on the definition of an agency relationship is available on the website www.arts.gov.au/cgp under Forms and Certificates.

General guidelines

Valuers should adhere to the following general guidelines and the standards contained in the Code of Conduct for Valuers when undertaking valuations for the Cultural Gifts Program:

- w Valuers are under no obligation to value any particular gift. However, if a valuer undertakes to value a gift he or she should do so expeditiously, including providing any further information requested by the secretariat.
- w It is important that valuers prepare valuations independently and without pressure from donors or institutions to reach a particular valuation. Where valuers have shared background information relating to the gift, it is imperative that each valuer reaches his or her own conclusion as to the value to be placed on the gift and does not reach an agreement about this aspect with the other valuer. The Valuation Certificate requires valuers to provide information regarding consultation during the valuation process to increase transparency and to ensure independence in the provision of valuations.
- w The value given to donated items must be the current GST inclusive market value at the time of donation and should be described as such.
- w The market should be neutral. It is the view of the ATO that the value of a gift of property should be afforded a similar meaning to that determined in the case of *Coppleson v FCT* (1981) 11 ATR 472 at pp 479–80 (that is, ‘the price which a willing but not anxious vendor could reasonably expect to obtain and a hypothetical willing but not anxious purchaser could reasonably expect to have to pay ... if the vendor and purchaser had got together and agreed on a price in friendly negotiation’).

- w Valuers must not use the phrase 'valuation for tax incentive purposes only' or a similar disclaimer on their documents. The Cultural Gifts Program in itself does not constitute a framework for valuations and any deviation from the premise that donations are assessed at their current GST inclusive market value will be unacceptable to the Commissioner of Taxation. Previous valuations undertaken for the program must not be used as evidence for subsequent valuations.
- w At Appendix E there are specific guidelines for the valuation of:
 - scientific journals;
 - manuscripts and other paper-based documentary material;
 - aircraft material;
 - film and video material;
 - photographic material; and
 - new and multimedia art material.
- w At Appendix F there are also guidelines for valuing collections of donated material (other than fine art items).
- w It is expected that the value of an artist's preparatory material would be significantly less than the value of the artist's finished work. Where an enhanced valuation is given for preparatory material (for example, for historical or rarity considerations or other special treatment of the material) this should be substantiated in the valuation.



Kangaroo and Emu, Cliff Reid 2006, donated to the Charles Darwin University

Donors

Donors are eligible for the following tax incentives under the program:

- w The market value of the gift is fully tax deductible, with some exceptions (see 'Limitations on tax deductions').
- w Donors can elect to spread the deduction over a maximum of five income years.
- w Gifts are exempt from capital gains tax.

Donors may also claim a tax deduction for the cost of valuations obtained specifically for this program.

Roles and responsibilities of donors

Donors are responsible for negotiating the potential gift with the recipient institution. The donor is also responsible for completing Sections 1–3 of the Certificate of Donation.

If the donation is being made by more than one person then all donors' names and signatures must appear on the Certificate of Donation. Alternatively each of the joint donors can complete a separate Certificate of Donation. A second party may not sign on behalf of the donor unless there is a Power of Attorney in place, in which case a certified copy must be included in the paperwork.

Apportionment of deductions

Once a donation has been certified, the donor is also responsible for submitting an Apportionment Election Form to the Departmental Secretary if they choose to apportion their tax deduction.

Donors may elect to spread a deduction over a maximum of five income years, however the deduction of a gift cannot add to or create a tax loss. The apportionment must be specified in percentage points and must begin in the income tax year in which the gift was made, ie based on the date of donation on the Certificate of Donation. The apportionment cannot exceed 100 per cent of the donation. The donor can elect to vary this amount at any time for the income year where a tax return has not been lodged.

If a donation has been made in conjunction with other donors, each donor must complete a separate form and must also advise his/her percentage share in the donation.

The Apportionment Election Form, or a variation to an election, must be submitted to the Departmental Secretary through the secretariat.



Shoes from the Springfield Collection, donated to the National Museum of Australia
Paper Dolls, Joan Pitman c1931, donated to the Tasmanian Museum and Art Gallery

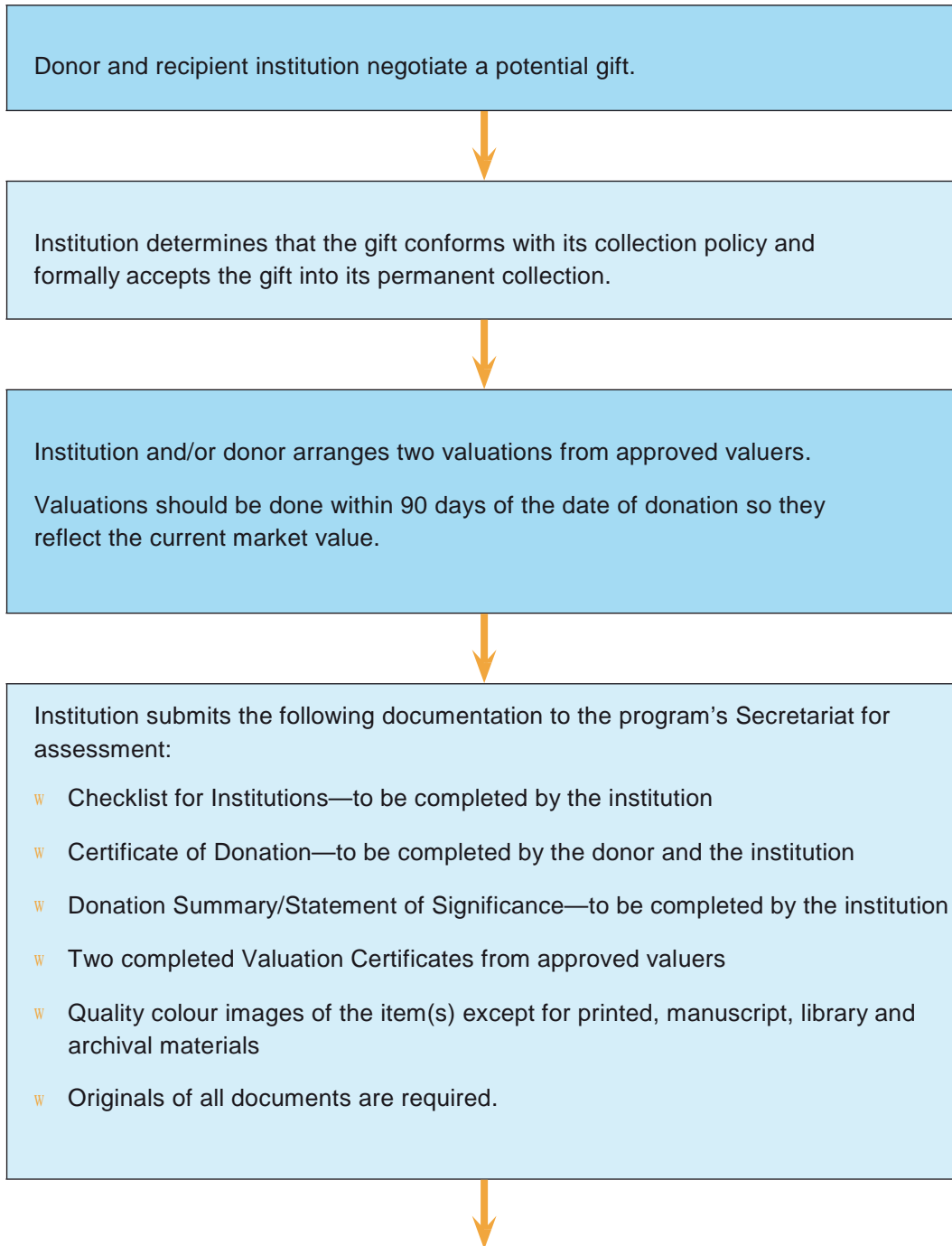
Technical advice and expertise

Where required, the secretariat will seek the advice of technical experts in relevant fields in order to:

- W review valuations of gifts to ensure that they reflect current GST market value. The secretariat reserves the right to request further information on valuations;
- W certify gifts that conform with the relevant requirements of the program; and
- W advise the Commissioner of Taxation on aspects of gifts which may assist in his/her determinations or the exercise of his/her discretionary powers.

Summary chart—How the program works

In summary the process for a CGP donation would generally be as follows:



Secretariat assesses the donation and, if necessary, requests further information.

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graph TD; A[Secretariat assesses the donation and, if necessary, requests further information.] --> B[Where the secretariat has requested further information and: (a) that information is received, the secretariat will assess the information and either: (i) where the secretariat is satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made— accept that the donation complies with the program requirements; or (ii) where the secretariat is not satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made—forward the donation to the Commissioner of Taxation for determination; or (b) the valuer declines to provide the information requested, and the secretariat is not satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made, the secretariat will refer the donation to the Commissioner of Taxation for determination.]; B --> C[Where the Commissioner of Taxation has made a determination of the GST inclusive market value of the gift, that amount will be the amount that the donor may deduct for the gift, and not the average of the valuations that the donor obtained from the approved valuers.]; C --> D[Once the donation is certified as meeting program requirements, the required documentation is prepared and sent to the donor for his/her tax records. The institution is also notified.];
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Where the secretariat has requested further information and:

- (a) that information is received, the secretariat will assess the information and either:
 - (i) where the secretariat is satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made— accept that the donation complies with the program requirements; or
 - (ii) where the secretariat is not satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made—forward the donation to the Commissioner of Taxation for determination; or
- (b) the valuer declines to provide the information requested, and the secretariat is not satisfied that the average of the valuations represents the GST inclusive market value of the donation on the day it was made, the secretariat will refer the donation to the Commissioner of Taxation for determination.

Where the Commissioner of Taxation has made a determination of the GST inclusive market value of the gift, that amount will be the amount that the donor may deduct for the gift, and not the average of the valuations that the donor obtained from the approved valuers.

Once the donation is certified as meeting program requirements, the required documentation is prepared and sent to the donor for his/her tax records. The institution is also notified.



Illustrations by Bob Graham, donated to the Lu Rees Archives, University of Canberra

Acknowledging government support

Institutions are reminded of the contribution the Cultural Gifts Program makes to Australia's public collecting institutions. As beneficiaries and partners in the program the cooperation of institutions is sought in helping to promote and ensure ongoing support for the program.

To this end, recipient institutions should acknowledge the Cultural Gifts Program when referring to donated works in display labels, publications and, where appropriate, promotional materials.

The donor is asked to indicate in Section 3 of the Certificate of Donation their preferred wording for the acknowledgement and institutions are asked to acknowledge the gift in accordance with the donor's wishes.

The standard acknowledgement for a gift is:

Donated through the Australian Government's Cultural Gifts Program.

However, donors may choose one of the following acknowledgements:

Donated through the Australian Government's Cultural Gifts Program by [donor's name].

Donated through the Australian Government's Cultural Gifts Program by [donor's name] in memory of [name].

Donated through the Australian Government's Cultural Gifts Program in memory of [name].

The donor must choose an option. If the donor fails to indicate an option, the institution must acknowledge the gift using the standard acknowledgement. If the institution wishes to use any other form of acknowledgement it must contact the Department and obtain written approval to vary the form of acknowledgement.

Institutions are also asked to provide high quality images of donated items to the Department for possible use in promotional material for the program.



Treadle powered omnicycle 1870s-80s, donated to Museum Victoria

Limitations on tax deductions

The principal legal provision for the program is subdivision 30-A of the *Income Tax Assessment Act 1997* (the Act). An edited extract of the relevant sections of the Act as at the time of printing is at Appendix A of this guide.

It is important that participants in the program are aware of the following limitations imposed by the Act:

w Testamentary gifts do not qualify for a tax deduction under the Cultural Gifts Program. The term 'testamentary gift' not only applies to those gifts specifically bequeathed under a will or those made by trustees in pursuance of any requirement placed on them by a will, but also to any gifts made by trustees out of the corpus of the estate. Consequently, donations by executors of deceased estates do not qualify for deduction (subdivision 30-A). However, such gifts are exempt from capital gains tax (section 118-60).

w The Commissioner of Taxation may reduce by a reasonable amount the deductible amount if conditions are attached to the gift that prevent the institution having full custody, control and clear title (section 30-220).

w The Commissioner of Taxation may also disallow a deduction if the donor receives any advantage of a material nature as a result of the gift (such as free or discounted entry or membership fees).

w If the item is

- donated within 12 months of its acquisition by the donor (other than by inheritance);
- acquired by the donor for the purpose of making the donation; or
- acquired subject to an agreement that it would be gifted

the amount of the deduction to be claimed is restricted to either the item's current GST inclusive market value or the purchase price, whichever is the lesser (subsection 30-215(3), item 3).

w If an artist or dealer makes a gift which is part of their trading stock, the deduction will be restricted to the cost of acquiring or producing the item(s) (subsection 30-215(3), items 1 and 2).

If the donation is not trading stock, that is, it is from the donor's personal collection, the donor must demonstrate to the satisfaction of the Commissioner of Taxation that the item(s) were not held for commercial gain. In order to qualify for a deduction of the current market value (i.e. the average of the valuations), the donor must have held the item(s) in their personal collection for a period of at least 12 months (see 'Donations by artists and/or dealers' page 21 for further information).



Child's surcoat with third rank badge and detail of badge c 1825, donated to the Art Gallery of New South Wales.

Donations by artists and/or dealers

Transfer from trading stock to personal collection

In order for an artist to donate from his/her personal collection an item that was previously held for commercial gain, it is necessary for the artist to “account” for this transfer on their tax return. The following example should assist in clarifying what is required:

- w An artist decides that an item that had been offered for sale will no longer be exhibited, and the work is moved to another part of the studio so that it will no longer be for sale. This work had cost the artist \$200 to produce (eg paint, canvas, frame).
- w The income tax provisions would treat this transfer as the artist having “bought” the item from the business at cost (\$200). Thus the artist would need to “account” for the transfer by including \$200 in his/her assessable income. However the artist would not be able to also claim a business expense deduction for the costs incurred in producing the work because the item had been “sold” from trading stock for the artist’s personal use.

Donations from personal collection

It is assumed that, if the donor is in the business of creating art/craft, the items being donated have at some stage been part of the donor’s trading stock and that the above transfer has been undertaken for items to now be held in the artist’s personal collection. If this is not the case the donor must be able to demonstrate to the Commissioner of Taxation why the items were never part of the trading stock of the business.

If the transfer described in the example above has been carried out, the donor’s tax benefit could fall within one of the following categories:

Item held in personal collection for less than 12 months

If the transfer was effected less than 12 months prior to the donation being made, the amount the artist donor could claim would be the lesser of the market value as endorsed by the secretariat and the cost of creation (in the example above, \$200), reduced by the amount of any input tax credit which the artist would have claimed in respect of the item.

Item held in personal collection for 12 months or more

If the transfer was effected more than 12 months prior to the donation being made, the tax deduction entitlement in this case is the full market value as per the average of the valuations.

However the donor would need to be able to substantiate (not retrospectively) that:

- w the item was removed from trading stock on a particular date; and
- w an amount was included in the donor’s assessable income; and
- w the item has been held in the donor’s personal collection for more than 12 months.

Case studies – Limitations on tax deductions

Case study—12 month rule

Maria purchases a rare book collection in July 2004 for \$8000 and donates it to a public library in February 2005. At the time of donation, the collection is valued at \$10 000. As the collection is being donated within 12 months of acquisition, Maria is only eligible to receive a tax deduction of \$8000—not \$10 000. If Maria waited until after July 2005 to donate, this would allow her to claim the average of the valuations as a tax deduction.

Case study—testamentary and inherited gifts

In his will, George stated that his prized ceramic vase was to be given to the Art Gallery of South Australia on his death. This would be a testamentary gift and would not qualify for a tax deduction under the program.

The remainder of George's ceramic collection is passed to his estate to be controlled by an executor. The executor decides to donate the collection to the National Museum of Australia. Again, this would be a testamentary gift and would not qualify for a tax deduction under the program.

George's vintage car is bequeathed to his grandson. The grandson decides to donate the car to the National Motor Museum. As the grandson is the rightful owner of the car, the gift is eligible under the Cultural Gifts Program. Should the grandson donate the car within 12 months of inheritance the 12 month rule would not apply in this case and he would be entitled to claim the average of the valuations as a tax deduction.

Case study—gift by artist from personal collection

Kim, a professional artist, transfers a painting from her trading stock to her personal collection. Kim will need to include the cost of producing the painting (\$1000 for paint, canvas and frame) in her assessable income for the financial year in which the transfer was made. Fourteen months later Kim decides to donate the painting under the Cultural Gifts Program. The average of the valuations is \$4000 and Kim is entitled to claim \$4000 as a tax deduction for the gift from her personal collection. If Kim donated the painting within 12 months of holding it in her personal collection, the 12 month rule would apply and she would be eligible to claim a tax deduction for the production costs only.

Case study—donation from trading stock

Jane, a professional artist, donates a painting from her trading stock to the National Gallery of Australia. The certified value is \$4,000. The cost of creating the painting was \$1,000. Jane is able to claim \$4,000 as a tax deduction. However, Jane must also declare the \$4,000 in her assessable income. This in effect results in no tax benefit. Jane can claim a deduction of \$1,000 (cost of creation) as a business expense.

Appendices

Appendix A

Extracts from the *Income Tax Assessment Act 1997*

*Please note that these are edited extracts for the purposes of the Cultural Gifts Program and you should not rely on them as a representation of the law.

Subdivision 30-A—Deduction for gifts or contributions

30-15 Table of gifts or contributions that you can deduct

(1) You can deduct a gift or contribution that you make in the situations set out in the following table. It tells you:

- w who the recipient of the gift or contribution can be; and
- w the type of gift or contribution that you can make; and
- w how much you can deduct for the gift or contribution; and
- w any special conditions that apply.

(2) A testamentary gift or contribution is not deductible under this section.

Deductible gifts or contributions			
Recipient	Type of gift or contribution	How much you can deduct	Special conditions
<p>(4) (a) The Australiana Fund; or</p> <p>(b) a public library in Australia; or</p> <p>(c) a public museum in Australia; or</p> <p>(d) a public art gallery in Australia; or</p> <p>(e) an institution in Australia consisting of a public library, a public museum and a public art gallery or any 2 of them.</p>	<p>A gift of property (except an estate or interest in land or in a building or part of a building).</p>	<p>The general rule is that you can deduct the average of the GST inclusive market values specified in the written valuations you get from approved valuers.</p> <p>Subdivision 30-C sets out:</p> <p>(a) how a person becomes an approved valuer; and</p> <p>(b) the exceptions to the general rule; and</p> <p>(c) the situations when the amount you can deduct is reduced.</p> <p>If the property is jointly owned, see section 30-225 to work out how much of the gift you can deduct.</p>	<p>(a) the property must be accepted by the recipient for inclusion in a collection it is maintaining or establishing; and</p> <p>(b) the value of the gift must be \$2 or more;</p> <p>(c) the institution must meet the requirements of section 30-17, unless it is the Australiana Fund; and</p> <p>(d) you must satisfy the valuation requirements in section 30-200, unless section 30-205 (about the sale price being assessable) applies.</p>

30-15(1) item 4

Subdivision 30-C—Rules applying to particular gifts of property

Table of sections

Valuation requirements

- 30-200 Getting written valuations
- 30-205 Proceeds of the sale would have been assessable
- 30-210 Approved valuers

Working out the amount you can deduct for a gift of property

- 30-215 How much you can deduct
- 30-220 Reducing the amount you can deduct

Joint ownership of property

- 30-225 Gift of property by joint owners (not included in this Guide)

30-200 Getting written valuations

- (1) You satisfy the valuation requirements if you get 2 or more written valuations of the gift you made.

Note 1: In most cases, you need to get these written valuations to be able to deduct a gift of property that you make to a recipient covered by item 4 of the table in section 30-15.

Note 2: You do not need to get written valuations in the circumstances set out in section 30-205.

- (2) The valuations must be by different individuals, each of whom is an approved valuer of the kind of property you are giving away.

Note: Section 30-210 deals with how an individual becomes an approved valuer.

- (3) Each valuation must state the amount that, in the opinion of the valuer, was:
 - (a) the GST inclusive market value of the property on the day you made the gift; or
 - (b) the GST inclusive market value of the property on the day the valuation was made.
- (4) If a valuation states the GST inclusive market value of the property on the day the valuation was made, it must have been made within 90 days before or after the gift was made. However, the Commissioner may allow a longer period than this.

30-205 Sale price would have been assessable

You do not need to get written valuation/s of the gift you made if:

- (a) no amount is included in your assessable income in respect of the gift you made; but
- (b) an amount would have been included in your assessable income if you had sold the property instead of making the gift.

30-210 Approved valuers

- (1) The Secretary to the Department of Communications and the Arts* may approve an individual as a valuer of a particular kind of property. The approval must be in writing, signed by the Secretary.
- (2) The Secretary must, in deciding whether to approve an individual, have regard to:
 - (a) the individual's qualifications, experience and knowledge in valuing that kind of property; and
 - (b) the individual's knowledge of the current GST inclusive market value of that kind of property; and
 - (c) the individual's standing in the professional community.

* Note: the Department now responsible for this function is the Attorney-General's Department.

Working out the amount you can deduct for a gift of property

30-215 How much you can deduct

- (1) This section contains the rules for working out how much you can deduct for a gift of property that you make to a recipient covered by item 4, 5 or 6 of the table in section 30-15.
- (2) The general rule is that the amount you can deduct for a gift of this kind is the average of the GST inclusive market values specified in the written valuations you got from the approved valuers.

Note: In some situations you must reduce the amount you can deduct: see section 30-220.

(3) The exceptions to the general rule are set out in this table:

Amount you can deduct for a gift of property		
Item	In this case:	The amount you can deduct is:
1	Section 30-205 (which is about the sale price being assessable) applies, and you bought the property	the amount you paid for the property
2	Section 30-205 (which is about the sale price being assessable) applies, and you created or produced the property	so much of the cost of creation or production as you would have been able to deduct if you had sold the property
3	Neither of cases 1 and 2 applies, and you acquired the property: (a) less than one year before making the gifts (otherwise than by inheriting it; or (b) for the purpose of giving it away; or (c) subject to an arrangement that the property would be given away	the lesser of the amount you paid for the property and: (a) if the average of the written valuations you got fairly represents the GST inclusive market value of the property on the day you made the gift—that average; or (b) if it does not—the GST inclusive market value of the property on the day you made the gift
4	None of cases 1 to 3 applies, and the average of the written valuations you got does not fairly represent the GST inclusive market value of the property on the day you made the gift	the GST inclusive market value of the property on the day you made the gift

30-220 Reducing the amount you can deduct

(1) The amount you can deduct is reduced by a reasonable amount if:

- (a) the terms and conditions on which the gift is made are such that the recipient:
 - (i) does not receive immediate custody and control of the property; or
 - (ii) does not have the unconditional right to retain custody of the property in perpetuity; or
 - (iii) does not obtain an immediate, indefeasible and unencumbered legal and equitable title to the property; or
- (b) the custody, control or use of the property by the recipient is affected by an arrangement entered into in respect of the making of the gift.

(2) In deciding what is a reasonable amount, have regard to the effect of those terms and conditions, or that arrangement, on the GST inclusive market value of the gift.

Appendix B

Valuer classification guidelines

Valuer approval categories

The areas of specialisation for which valuers are approved are defined by geographical limitation, physical nature and historical range of the valued material.

In order to gain approval prospective valuers should specify, in as much detail as possible, their areas of expertise in relation to these three fields and in this order:

- w Geographical limitation;
- w Physical nature; and
- w Historical range.

Appendix C specifies categories for Australian Indigenous material.

Some valuers may trade in a very broad range of goods and may, therefore, find it difficult to confine their field to a limited area. However, as the valuers are required to be sufficiently qualified in an area to be able to state that the objects in question are authentic, the depth of knowledge required is often based on valuers' knowledge over a limited range of material.

The secretariat may rephrase descriptions of areas of expertise provided by valuers where it considers consistency is required.

Terminology

Valuers should use concise terms clearly outlining their field(s) and should avoid unnecessary or vague adjectives such as 'genuine', 'early', 'modern' or 'antique'.

In order to effectively group valuers of similar fields together, a 'Glossary of terms for valuers' follows at Appendix D that lists common terms and their definitions.

The glossary also includes common undesirable terms, acceptable alternatives and words relating to specialised disciplines.

Valuers experiencing difficulty in applying these glossary terms to their respective fields are advised to contact the secretariat for assistance.

Geographical limits

The following guidelines apply in relation to the geographical limits that operate for valuer classifications:

- w Where appropriate, the secretariat permits valuers to operate to a small degree outside the geographical limitations approved for their areas of expertise.
- w As stylistic influence can extend beyond national boundaries a valuer may appropriately value certain works created in countries not specifically approved. For example, a valuer of 'French furniture 1715-1821' might value a work created in imitation of the French style in Hungary or Belgium without applying for reclassification.
- w Where an understanding of the works involved requires different background knowledge, as in European Chinoiserie porcelain and Chinese ceramics, the secretariat would not accept that a valuer's area of approval covers both areas.
- w It is the valuer's responsibility to justify the grounds for stepping outside the approved limits, and the secretariat should be consulted beforehand.
- w As a rule a geographical area should be described by giving the names of countries, continents or states in adjectival form.

Examples: Australian paintings after 1960
English and French furniture 1800–1900
African art

- w When it is inappropriate to list the names of all countries involved in the valuer's field, broader designations may be used. Definitions of the most common groups are included in the 'Glossary of terms for valuers', in Appendix D.

Examples: Southeast Asian sculptures before 1800
Melanesian art

- w Limiting fields relating to stylistic or cultural boundaries rather than national ones is often appropriate and acceptable.

Examples: Hindu and Lamaist sculptures
Wedgwood pottery of all periods
Australian Indigenous material culture

- w Valuers specialising in the work of a single artist, a small group of artists, or in a tightly limited field of valuation may state geographical limitations using the name of the artist or through the parameters imposed by the field itself.

Examples: Norman Lindsay
The New English Arts Club
Art Nouveau

- w In certain disciplines whose content is limited, it is acceptable to use the phrase 'of all countries' or similar generalisations.

Examples: All coins and paper money after 1700
Photographs of all countries

- w Geographical limits may be omitted completely if they are not applicable in the valuer's area of expertise.
Examples: Minerals and fossils
Whaling vessels
- w Ancient or historical geographical terms may be used if they are commonly referred to as such by accepted academia.
Examples: Roman sculptures
Persian carpets
- w Valuers may be expert in valuing material concerned with, but not produced in, a particular region or country. This is often the case with manuscripts and books. Phrases such as 'relating to' are acceptable in these scenarios.
Examples: Books and manuscripts relating to Australia after 1788
Australian artists' tapestries woven in any country after 1900

Physical nature

- w The physical nature should be described using nouns or a series of nouns using the most specific generic term or terms possible. Loose definitions or implications should be avoided.
Examples: Rough gemstones
Scientific zoological specimens and collections
Australian paintings, sculptures and drawings before 1900
- w Except in fields of activity whose contents are very limited or to which the same criteria of expertise applies despite the breadth of the field, sweeping categories are not acceptable. This is particularly applicable to valuers of works of art.
Examples: American paintings, sculptures and drawings after 1945
European bronze sculptures 1600–1900
- w The following examples of broad fields of activity are acceptable because the contents of those fields are limited.
Examples: Minerals and fossils
Veteran and vintage cars
- w In some areas of expertise it is appropriate to list broad ranges of physical material if the field is reduced to a reasonable scope by the geographical limitation and historical range associated with it.
Examples: Australian paintings and sculptures after 1950
French furniture 1750–1821

- w In certain fields (particularly in the natural sciences and occasionally in areas of limited productivity in the arts), restriction of a broad field of activity by historical or geographical references may be unnecessary. The secretariat will scrutinise such cases closely to ensure they are not unreasonably wide.

Examples: Entomological material
Film and video recordings

Historical range

A certain degree of flexibility is assumed with regard to the historical range approved for each valuer. Valuations outside the specified dates are permitted as long as they are within the bounds of accepted academia.

In general, the more historical the period in question the greater the degree of flexibility allowed in the date.

For example, an Australian painting dating from 1943 could be valued by a valuer approved for 'Australian paintings after 1945'. However, a work dated from 1930 would be considered outside the valuer's field.

Similarly, a valuer approved for 'English glass 1600–1800', for example, could value an item dating from 1820.

A valuer of antiquities could apply an even greater degree of flexibility.

- w As a rule the period covered should be listed as a range of centuries or decades.

Examples: British paintings 1600–1900
Australian books and manuscripts 1890–1950

- w It is acceptable to use 'before' or 'after' to limit an historical range.

Examples: Photographs before 1900
Australian paintings, sculptures, drawings and prints after 1960

- w Preferably give the beginning and end dates of a range by using a dash rather than the names of the centuries.

Examples: English prints 1600–1900
Australian costume and accessories 1900–1950

- w In areas where the content is limited it is acceptable to use the phrase 'of all periods' or another general phrase.

Examples: Glass of all periods

- w If it is unreasonable or irrelevant to define the time span covered by their expertise (as is often the case with valuers of material in the natural sciences), the historical range may be omitted completely.

Examples: Minerals and fossils
Opisthobranch molluscs

- w Valuers specialising in the work of a single artist or a small group of artists or in an unusually limited field of valuation, may state the period by implication in the name of the artist, group or type of material.

Examples: Norman Lindsay
The New English Arts Club
Persian rugs

- w In certain disciplines (for example motor cars), there are terms defining dates that have clear meaning in their own fields. These terms and their definitions appear in the 'Glossary of terms for valuers' (Appendix D).

Examples: Veteran cars

- w Periods may be defined by using standard historical terms such as 'dynasties' or 'reigns' of monarchs. The use of absolute dates is preferable, however some valuers may prefer to make reference to a particular style associated with the period.

Examples: Victorian textiles and costumes
Pre-Dynastic to Ptolemaic ceramics
Quing (Ching) Dynasty paintings and prints

Approval to value items outside field of approval

In some cases a valuer is asked to value a collection which, although predominantly within their areas of expertise, contains items which are outside their approved classes of property.

When these objects appear to be of low value and bear some relation to the valuer's already approved class of property, the Secretary to the secretariat may provide a one-off approval for a specific task.

The secretariat permits this practice as it regards as obstructive an insistence for a separate valuer to deal with a small body of material of little financial worth that is contained within a larger more important collection.

Approval must be obtained from the secretariat prior to submission of a valuation for an object outside the valuer's approved field(s).

Valuation of cartoons and architectural drawings

Cartoons and architectural drawings are regarded as separate and distinct categories in the field of drawings.

Valuers who are applying to value drawings must specify whether they are also applying to value cartoons and/or architectural drawings.

Extra explanatory information

Valuers may add their own words or phrases to their definitions of expertise so as to point to particular areas of interest within their field or to further clarify the nature of their involvement in a discipline.

Such elaboration should avoid vague, meaningless or unnecessary words such as 'rare', 'genuine' or 'fine'.

In the examples of useful elaboration below, the words in bold text do not strictly fall within the preceding guidelines, but are examples of terms that can help to provide an accurate picture of the valuers' strengths.

Examples: Hand-woven Persian carpets of all periods.
 Australian photographs before 1900 as historical material.
 Melanesian art of all periods especially that of New Guinea.
 Zoological specimens, in particular invertebrate fossil collections.
 Australian paintings after 1900 in a traditional style.
 Gramophone records of all periods and countries with special emphasis
 on 78 rpm records of operatic singers.

Appendix C

Australian Indigenous art and material culture categories for valuers

Due to the diverse range of Aboriginal/Indigenous art and material culture being donated under the Cultural Gifts Program valuers are required to identify the specific area(s) of Aboriginal/Indigenous art they wish to be approved to value. The following general terms are acceptable for valuers to use:

- w The preferred overall term to be used is 'Australian Indigenous art and material culture'.
- w The term 'Australian Aboriginal' excludes Torres Strait Islanders.
- w The term 'Indigenous' includes Aboriginal and Torres Strait Islander people.
- w The term 'artefacts' can be used instead of art and material culture.
- w The term 'traditional' should be avoided.

If you intend to seek approval for valuing Australian Indigenous art/material culture the following categories need to be considered when completing the Application for Approval as a Valuer form.

Visual art categories

The following visual arts categories are acceptable terms for use in valuer applications:

- w Prints
- w Drawings
- w Textiles
- w Paintings
- w Sculptures
- w Ceramics
- w Glassware
- w Fibre items
- w New media

Examples of specialist visual art areas:

- w Hermannsburg watercolours
- w Western Desert art
- w Arnhem Land art
- w Carrolup School
- w Urban art

Material culture categories

The following material culture categories are acceptable terms for use in valuer applications:

- w weapons (shields, spears, spear-throwers, clubs, boomerangs);
- w stone tools (axe, scraper, adze, grind stone, pestle/pounder, knife or spearhead);
- w hunting and gathering implements (awl, digging stick, wooden dish, bark/kelp bucket, netted bag, basket, food pounder, spear, net, trap, fish fence, fish hook, harpoon or firestick);
- w toys (spinning top, truck, ball doll or propeller);
- w ceremonial decorations and objects (belts, pubic cover, head ornament, armband, neck/chest ornament, didgeridoo, nose bone, music stick, burial pole, burial ornament, hollow-log bone-coffin, feathered pole or message stick);
- w restricted ceremonial objects (sacred sculpture, string cross, sacred stone, wooden board, bull-roarer or sorcery paraphernalia);and
- w watercraft (canoes, paddle, bailer or sail).

Regions

Valuers seeking approval for a field of activity should specify regions for their expertise.

Examples: Australia wide
Torres Strait Islands
Kimberley
South-east Australia
Northern Australia
Central Australia
South-west Australia

Dates

Valuers seeking approval for a field of activity should specify a time period for their expertise.

Examples: Pre-contact (applicable to stone tools)
Historic, after 1800
Contemporary, after 1970

Appendix D

Glossary of terms for valuers

This glossary lists common terms and their definitions for the purposes of the Cultural Gifts Program. It also includes common undesirable terms, acceptable alternatives and words relating to specialised disciplines.

Wherever possible valuers should use the terminology recommended in this 'Glossary of terms for valuers', particularly in completing the Application for Approval as a Valuer form.

However, valuers should note that the glossary is not comprehensive and that valuers may have to describe their parameters using terms that are not included here.

Valuers experiencing difficulty in applying these glossary terms to their respective fields are advised to contact the secretariat for assistance.

TERM	SUGGESTED USE
Aboriginal: Refers to the Indigenous peoples of Australia only. The preferred overall term to be used is 'Australian Indigenous'. See Appendix C for categories valuers should use when seeking approval to value Australian Indigenous art and material culture.	Specific use only
Accessories: Refers to items of exterior apparel other than the main garments. These items often are made of materials and with techniques that do not generally form part of the vocabulary of clothing manufacture. Examples include shoes, hats, fans and gloves. Jewellery is not included. A valuer approved for costume is automatically approved for accessories as well.	Recommended
Aircraft: Encompasses all manufactured vehicles intended for transport through the air, by mechanical means, such as aeroplanes and helicopters, and through the properties of lighter than air gases or heat, such as balloons or dirigibles. See Appendix E for guidelines on the valuation of aircraft.	Recommended
American: Refers to the lands of the Western Hemisphere including North, Central and South America and the islands of the West Indies, but not Greenland.	Recommended

TERM	SUGGESTED USE
<p>Antiquarian: A term used in the book selling trade to denote the dealer's concern with rare and high-quality second-hand books. It does not imply a specific period or area of expertise.</p>	Use with caution
<p>Antique(s): Do not use this term. Its meanings are varied and imprecise. As a definition of period it is generally taken to refer to material over one hundred years old, but a range of dates should be given instead. As a description of the material involved it suggests virtually any sort of man-made object not of recent manufacture.</p>	Avoid using
<p>Antiquities: Do not use this term if possible. It is very broad. The secretariat takes it to refer to any material created before 600 AD.</p>	Avoid using
<p>Applied arts: An obsolete term referring to mundane utilitarian objects embellished by decorative elements so as to raise them to an aesthetically satisfactory state. The phrase is often used loosely as a synonym for decorative arts. Do not use the term if possible.</p>	Avoid using
<p>Archival material: Refers to documents or other records created in the course of the administrative activities of an organisation, such as a government department, an institution, a business firm or company. The materials have been permanently preserved because of their continuing administrative usefulness, or because of anticipated research use not connected with the original reasons for their creation. While family records or records relating to an individual may sometimes be of an archival nature, they are more likely to be classed as 'manuscripts'.</p>	Recommended
<p>Arms and armour: Refers to offensive weapons including and especially swords, daggers, spears and firearms. Armour is defined as defensive or protective clothing. In both cases a fairly sophisticated level of technology is assumed. For instance, the 'armour' of woven natural fibres used in the Cook Islands would not generally fall into this category. Examples of such defensive clothing should be valued by an individual approved for Polynesian art or ethnography, or for 'weapons'.</p> <p>Most arms and armour as the terms are generally understood are basically fashioned of metal. Some degree of historical range, geographic limitation, or more specific physical nature is required to qualify this category, for example, 'Asian arms and armour'; 'Arms and armour before 1700'; 'firearms'. See also 'militaria' and 'weapons'.</p>	Recommended

TERM	SUGGESTED USE
<p>Art: Do not use this word, if possible, except as part of a more specific phrase such as ‘Art Nouveau’ or ‘art glass’. It is too broad. List specific disciplines within the general category of art such as ‘paintings’, ‘tapestry’, ‘prints’, ‘ceramics’ and the like. There can be rare exceptions (such as ‘Melanesian art’) in which the disciplines are insufficiently categorised to allow for easy classification, and in which few specialists covering only one area of the field have emerged.</p>	Qualified use only
<p>Art Deco: The dominant decorative arts style of the period 1920–1940. Unless otherwise qualified, it is taken to cover all European and European oriented countries such as Australia and the United States.</p>	Recommended
<p>Artefacts: This word, most commonly applied to anthropological material, implies an even broader base to a valuer’s expertise than does the word ‘art’. Hence a valuer of both art and specimens of material anthropology might list the category ‘Melanesian artefacts’. The terms should be used with caution, if at all, in reference to cultures with highly developed technology, as in most cases the secretariat requires a more specific description of physical nature. ‘British artefacts after 1800’, for example, would be rejected as an insufficiently defined class of property.</p>	Use with caution
<p>Art Nouveau: A style covering all European and European oriented countries such as Australia and the United States in the period from c1880–1910. Art Nouveau has influenced to one degree or another all the visual arts, so it is necessary to list the disciplines within the style in which a valuer wishes to be classified. Classification as a valuer for ‘Art Nouveau’ objects does not imply qualification to value material in other styles of that same period. Use of the term is limited to works in the anti-academic mode associated with the style.</p>	Specific use only
<p>Asian: Refers to the continent occupying the eastern part of the land mass whose western portion constitutes the continent of Europe. The dividing line between the two is accepted as the Ural Mountains. The other borderlines of Asia are the Arctic Ocean on the north, the Pacific Ocean on the east, the Indian Ocean on the south and (as well as the Ural Mountains) the Red Sea, the Isthmus of Suez, the Mediterranean, Aegean and Black Seas, and the Caucasus Mountains on the west. The main outlying island group included in Asia is Japan.</p>	Recommended

TERM	SUGGESTED USE
<p>Assemblage: Refers to a combination of various elements, such as found objects not intended originally as ‘art material’, assembled together to form a three-dimensional work of art. It may be free-standing or mounted, and may include painting, carving and modelling.</p>	Recommended
<p>Associated documentation: This term is used as a means of including in a valuer’s approved area appropriate printed material related to the major field of valuation, for example, ‘film and video recordings and associated documentation’. The phrase must always be linked to a specific class of property.</p>	Qualified use only
<p>Audio recordings: See ‘sound recordings’.</p>	
<p>Australasian: Do not use this word if possible as the extent of the area intended is not clearly defined. It can mean anything from the entire southern part of the Pacific Ocean to the community of Australia, New Zealand and Papua New Guinea.</p>	Avoid using
<p>Australian Indigenous: Refers to Australian Aboriginal and Torres Strait Islander people.</p>	Recommended
<p>Australiana: Refers to material which may have value above and beyond that suggested by its inherent nature due to its association with Australian history or culture. Items pertaining to Australiana are not generally covered by other terms in this glossary.</p>	Recommended
<p>Avant-garde: A term implying interest in advanced forms of contemporary art. It merely indicates the general aesthetic direction of a valuer’s knowledge and does not alone serve to establish a valuer’s historical range of expertise.</p>	Qualified use only
<p>Bindings: Refer to the covers of books. Valuers approved for ‘bindings’ are expected to take into account their value as works of art as well as their rarity in the book market.</p>	Recommended
<p>Books: Usually, collections of sheets primarily or entirely devoted to transcriptions of the written word whether produced in quantity through mechanical means (printing, photocopying) or in unique form (manuscripts written or typed) collected together in some type of bound form. The term includes books that are composed entirely or mainly of illustrations, private press books, periodicals, and second-hand as well as new books. It can also include sections of books although individual prints used originally as book illustrations are regarded as ‘prints’. ‘Illuminated manuscripts’ also constitute a separate category.</p>	Recommended

TERM	SUGGESTED USE
<p>British: Refers to the United Kingdom, that is, England, Scotland, Wales and Northern Ireland. It is also assumed to incorporate Ireland.</p>	<p>Recommended</p>
<p>Carpets: Refers to stout, hard-wearing fabrics generally intended as floor coverings. The terms ‘rug’ and ‘carpet’ imply a distinction in size, rugs being under 40 square feet and carpets being over 40 square feet. For the purposes of classifying valuers the terms are interchangeable.</p>	<p>Specific use only</p>
<p>Cars: Refers to motor vehicles intended as conveyances for a small number of passengers.</p>	<p>Recommended</p>
<p>Cartoon: A narrative drawing, or series of drawings, where the message implied is of prime importance. Valuers of ‘drawings’ are required to specify whether they wish to value cartoons.</p>	<p>Recommended</p>
<p>Cartophilia: Refers to material printed on small cards, frequently produced as an adjunct to a commercial product with the intent of inducing the customer to collect series of the cards through repeated purchases of the product to which it is attached. Playing cards, cards from cigarette packets, greeting cards and post cards are examples of cartophilia.</p>	<p>Recommended</p>
<p>Ceramics: Objects made of clay and subsequently fired, usually in a kiln. The category encompasses all accepted sub-disciplines such as porcelain, pottery and earthenware.</p>	<p>Recommended</p>
<p>Chattels: Movable objects of unspecified types; household effects. The secretariat will not accept valuations from persons authorised for this category of material if the objects seem to require more specialised appraisal.</p>	<p>Recommended</p>
<p>Circa: Do not use this term. The secretariat assumes a reasonable range of latitude with regard to historical range and thus automatically creates ‘circa’ dates. See the guidelines for historical range at Appendix B.</p>	<p>Avoid using</p>
<p>Classic: This term is to be used for motor vehicles only. Covers the calendar years 1931–1940.</p>	<p>Specific use only</p>
<p>Clocks: Refers to mechanical instruments for the measurement of time. Watches should be listed as a separate category.</p>	<p>Recommended</p>
<p>Coins See ‘Numismatic material’.</p>	

TERM	SUGGESTED USE
Collage: A two-dimensional or low-relief work of art created by attaching paper, fabric or any other substance to a support. It is frequently used in combination with painting or other media. A valuer approved for paintings is automatically approved for collage as well.	Recommended
Colonial: Do not use this term. It is too vague.	Avoid using
Commercial vehicles: Motor vehicles intended for commercial use such as trucks, buses and taxis. Private passenger cars and farm equipment including tractors are not included in this category.	Recommended
Commonwealth: Refers to member countries of the Commonwealth. The term is assumed to include both past and present members of the British Commonwealth.	Recommended
Conceptual art: Refers to art that is intended to convey an idea or a concept that rejects the creation or appreciation of a traditional art object such as a painting or a sculpture as a precious commodity.	Recommended
Contemporary: Do not use this term except for Indigenous art. It is too vague. Use a range of dates instead, for example, 'after 1960'.	Avoid using
Continental: Refers to the countries of Europe, excluding the British Isles.	Recommended
Costume: Refers to articles of dress or attire. This category must be listed separately from 'textiles'.	Recommended
Costume jewellery: Refers to jewellery set with artificial stones.	Recommended
Crafts: This term is closely related to 'decorative arts' but in its application tends to refer to objects individually hand-made generally during the 19th and 20th centuries. These objects, while not necessarily created for practical purposes, are made of materials customarily associated with functional ends. It also suggests work which, in its artistic appeal, emphasises its hand-made qualities. The term is acceptable if suitably qualified by geographical and historical limitations and by specific lists of media, for example, 'Australian crafts after 1945 in ceramic, textile and glass'.	Qualified use only

TERM	SUGGESTED USE
<p>Decorative arts: This term refers to visual art forms found in objects of practical utility. While it is possible that a valuer might legitimately specialise in all the decorative arts of a small country or region, the secretariat prefers that valuers spell out the disciplines within the overall framework of the decorative arts in which they possess expertise, such as ‘costume’ and ‘textiles’, ‘furniture’, ‘silver’, ‘glass’, ‘ceramics’ or the like. See also ‘crafts’.</p>	Qualified use only
<p>Digital art: This term includes work that is usually, but not necessarily, screen-based and is experienced via computer, on CD-ROM or online, in galleries, on screens and in installations, and is increasingly interactive. Digital art has emerged from various fusions of experimental tendencies in performance, film and video-based media. Digital technologies are integrally involved in their production, distribution or presentation.</p>	Recommended
<p>Documentary art: Refers to any work of art whose purpose is to present facts objectively, without inserting fictional matter. Such work records and/or comments on some content, often political or social, by accumulating factual detail.</p>	Recommended
<p>Documentation: Textual and/or recorded visual and auditory information that describes a work of art or image, recording its physical characteristics and placing it in context, as in records of works of conceptual art, earth art, or performance art.</p>	Recommended
<p>Documents: Manuscripts of an official nature which may consist of printed or typed material as well as handwritten sheets.</p>	Recommended
<p>Drawings: Refers to two-dimensional works of art dependent upon the predominance of linear representation as opposed to paintings which depend mainly on the representation of masses. In its technical sense, the term refers to a work of art created by means of linear media such as pencil, charcoal, chalk, pen and ink or the like. It is impossible to establish a firm borderline between drawings and paintings. The secretariat requires valuers of drawings to specify whether they wish to value cartoons and/or architectural drawings.</p>	Qualified use only
<p>Early: Do not use this term if it is possible to avoid it. Use specific dates instead. For example, say ‘1700–1750’ rather than ‘Early 18th century’.</p>	Avoid using

TERM	SUGGESTED USE
<p>Earth art / Earthworks: Earth art (also called ‘land art’) refers to a movement of artists with wide ranging goals, all created in the natural environment, employing such materials as stones, dirt, and leaves. ‘Earthworks’ is the same movement. Most works are sculptural and can be witnessed mainly through documentation.</p>	Recommended
<p>Edwardian: Refers to the period of the reign of King Edward VII, 1901–1910. It applies only to works created in the United Kingdom and its colonies.</p>	Recommended
<p>English: Refers to England proper, excluding Wales, Scotland and Northern Ireland.</p>	Recommended
<p>Entomological material: Refers to insects or insect collections. See also ‘lepidoptera’ which forms the main order often singled out by valuers as a separate area of expertise.</p>	Recommended
<p>Ephemera: Material (most often on paper) intended for a brief span of useful life. Objects such as newspapers, theatre programs, costume drawings, Christmas decorations and greeting cards could fall into this category. The use of this term as a class of material for valuers is permitted by the secretariat only under one of the following two circumstances:</p> <ul style="list-style-type: none"> w when valuers may specialise in ephemera within a particular discipline - in such cases, the secretariat will permit such a classification if it is qualified by the general area within which the valuer operates, for example, ‘fashion ephemera’, ‘theatrical ephemera’ or the like; or w when valuers are called upon to value a collection consisting primarily of material in their approved field, but which also contains a few objects of a miscellaneous nature. <p>The secretariat does not insist upon a clear distinction between ‘ephemera’ and ‘memorabilia’. See also ‘miscellany’, ‘memorabilia’, ‘objets d’art’.</p>	Recommended
<p>Ethnography / ethnology: Do not use these terms as they are too broad and ambiguous. Preferred terms are ‘material culture’ or ‘artefacts’. Define as specifically as possible the physical nature of the material within this category.</p>	Avoid using

TERM	SUGGESTED USE
<p>European: Refers to the continent occupying the western part of the land mass whose eastern portion constitutes the continent of Asia. The dividing line between the two is accepted as the Ural Mountains. The other borderlines of Europe are the Arctic Ocean on the north, the Caucasus Mountains and the Black and Mediterranean Seas on the south, and the Atlantic Ocean on the west. The main outlying islands included in Europe are the British Isles, Iceland and Greenland.</p>	Recommended
<p>Film: The secretariat limits the use of this term to motion picture film. It regards videotape and still photography as separate categories. See Appendix E for guidelines on valuing film and video material.</p>	Specific use only
<p>Fine Art: Refers to art whose value is considered to be aesthetic rather than of practical use (see ‘decorative arts’). This term is unnecessary.</p>	Avoid using
<p>Fine Art prints: A term used to describe limited edition multiple images printed under the artist’s supervision (see ‘prints’), as opposed to reproductions which are mass-produced replicas of visual material and which are often referred to incorrectly as ‘prints’. The qualifier ‘fine art’ is unnecessary in defining the field of prints.</p>	Avoid using
<p>Fossils: Refers to animal or plant remains as imprints or moulds or replaced by minerals which may include calcium carbonate, silica (including opals), pyrite, phosphate or the like.</p>	Recommended
<p>Gemstones: Precious or semi-precious minerals that assume a high level of financial worth deriving from the rarity, beauty and quality of the raw material often in combination with the skill with which the finishing process has been carried out.</p> <p>Gemstones may be further subdivided into the following states:</p> <ul style="list-style-type: none"> w Rough or uncut—in their natural state; w Cut—faceted, a process in finishing transparent stones; w Polished—mechanically smoothed, often used to finish stones inappropriate to cutting; and w Set—mounted, most frequently as jewellery. <p>Carved or polished rocks or minerals which fall at the lower end of the range of semi-precious stones (such as agate spheres or malachite slabs) or stone worked into artistic forms (such as Oriental jade carvings) are regarded as separate categories. Similarly, pearls and coral should be listed as independent areas of expertise. See also ‘precious’, ‘semi-precious’, ‘rocks’ and ‘minerals’.</p>	Recommended

TERM	SUGGESTED USE
Geological material: Use the terms 'rocks' and/or 'minerals' instead.	Avoid using
Georgian: A term referring to the period from the accession of King George I in 1714 to the death of King George IV in 1830.	Recommended
Glass: A compound made from the fusion of silica and an alkaline flux under intense heat, and often in combination with other ingredients. Glass is a specific area of expertise which must be specified by valuers wishing to be approved for this discipline.	Recommended
Gold: See 'minerals' for naturally occurring specimens and 'silver' for fabricated items or works of art.	Specific use only
Graphics: This term refers to commercially printed material not capable of being classified as 'books'. Valuers of works of art printed in limited edition should describe their field of expertise as 'prints'.	Recommended
Historic: Not acceptable as a limitation of date as the meaning is too vague. It is acceptable as a definition of the physical nature of material to differentiate it from 'artistic', for example, 'historic Australian photographs before 1940'.	Specific use only
Hologram: Refers to a three-dimensional image of an object created by recording on photographic film the pattern of interference formed by a split laser beam and then illuminating the pattern either with a laser or with ordinary light. Holograms serve as both objects of scientific and artistic interest. Where a hologram is donated as a work of art the valuers must be able to assess both the artistic worth of the image and the value of the equipment involved in displaying it.	Recommended
Holographic material: Refers to letters, documents or manuscripts entirely in the author's handwriting.	Recommended
Horological material: Refers to devices (including clocks, watches and pre-mechanical clocks) for the measurement of time as well as material and literature associated with the subject.	Recommended
Hybrid art: Hybrid art (also known as multi-platform) involves the merging of art forms, media and cultures. It features most prominently in installation and in performance. See also 'interdisciplinary art'.	Recommended

TERM	SUGGESTED USE
<p>Illuminated manuscripts: Refers to books or pages from books written by hand and ornamented with small paintings or embellishments.</p>	Recommended
<p>Indigenous: Refers to the Aboriginal and Torres Strait Islander peoples of Australia.</p>	Recommended
<p>Installation / Installation art: Art made for a space, exploiting certain qualities of that space, more often indoors than out and frequently not in a gallery. Installations may be temporary or permanent, but most will be known to posterity through documentation.</p>	Recommended
<p>Interdisciplinary art: A process where artists combine conventional art forms to create new forms of artistic expression, sometimes referred to as hybrid arts. For example, collaboration between a visual artist and a performer, or a dancer, a writer and a sculptor; or collaboration of teams of artists with expertise in a range of arts practices to create a work. Interdisciplinary art can also describe the collaboration between artists and practitioners from other non-arts fields, eg artists and scientists working together, artists working in industrial settings or collaborations between artists wanting to explore cultural and artistic differences.</p>	Recommended
<p>Interiors: Refers to the fittings of buildings. The term is taken to cover two overlapping areas.</p> <p>First, it encompasses bodies of material of value more for the historical worth of the assembled paraphernalia of a given trade or way of life than for the individual values of the component parts.</p> <p>Second, it covers material associated with a building, such as original wallpaper, light fittings, carpets and the like. It should be noted, however, that parts of buildings are not eligible for tax deductibility under the Cultural Gifts Program. See also 'premises'.</p>	Recommended

TERM	SUGGESTED USE
<p>Jewellery: Artefacts fashioned traditionally from precious metals and stones or enamels designed to ornament parts of the human body. Much contemporary jewellery is made of non-precious materials such as plastic and steel, but its function remains the same. A valuer of jewellery must have expertise to assess the historical and artistic components of an object as well as the intrinsic value of the stones and metals of which it is composed. In short, jewellery is taken to consist of a combination of natural materials and human creative effort. Valuers whose knowledge is only in the geological properties and values of the raw stones should list themselves as a valuer of minerals, rocks or fossils. Valuers of mounted, finished stones should describe themselves as qualified to appraise gemstones. See also ‘costume jewellery’.</p>	Recommended
<p>Lacquer ware: Objects finished with an overlay of tree sap or a synthetic equivalent usually built up in multiple layers over a core, most frequently of wood. The surface is often enhanced by such techniques as carving, encrustation, painting or a sprinkling of powdered metal. In its narrow sense the term is confined to products of China or Japan, the European imitation being differentiated by the word ‘japanning’. The secretariat, however, does not assume the term implies geographical limitations.</p>	Recommended
<p>Lasers: Refers to devices for the production of high intensity, closely focussed light created through synchronisation of the component beams.</p>	Recommended
<p>Late: Do not use this term if it is possible to avoid it. Use specific dates instead. For example, say ‘1750–1800’ rather than ‘late 18th century’.</p>	Avoid using
<p>Lepidoptera: Refers to an order of insects comprising butterflies and moths which have four membranous wings covered with scales.</p>	Recommended
<p>Look-alike: Refers to an artefact with a superficial resemblance to the original but made with different techniques and of different materials.</p>	Recommended
<p>Machinery: Do not use this term without qualification. On its own the word is too broad. A field such as ‘farm machinery’ is acceptable.</p>	Qualified use only

TERM	SUGGESTED USE
<p>Manuscripts: Refers to original documents produced by hand, as opposed to printed material. See also ‘illuminated manuscripts’. See Appendix E for guidelines for the valuation of manuscripts and other paper based documentary material.</p>	Recommended
<p>Maps: Refers to representations of portions of the earth’s surface which show political or geographical features, or representations of the heavens showing positions of stars or planets.</p> <p>Generally, maps are set out on a flat sheet, but this term does not exclude valuers of maps from valuing globes (spherical representations of the earth or the heavens).</p> <p>Many maps (particularly early or hand-drawn examples) must be valued with regard to their artistic as well as their historical value.</p>	Recommended
<p>Marquetry: Refers to a surface of inlaid, small pieces of wood, shell, ivory and/or metal. Generally included in the category of ‘crafts’.</p>	Recommended
<p>Medals: Small commemorative designs in metal, as opposed to coins which form media of exchange and plaquettes (which lack the commemorative function).</p>	Recommended
<p>Melanesian: Refers to the southern-most group of islands in the Pacific including New Guinea, the Bismarck Archipelago, the Solomon Islands, Vanuatu, New Caledonia and the Loyalty Islands.</p>	Recommended
<p>Memorabilia: Refers to material of a minor nature associated with a particular area of interest. Its chief distinctions from ‘ephemera’ are:</p> <ul style="list-style-type: none"> w that these objects are less frequently on paper and are often three dimensional; w the longer intended life span of many objects of memorabilia; w that ‘memorabilia’ may not originally have served utilitarian functions. <p>Trophies can be classed as memorabilia.</p> <p>The term on its own is virtually meaningless and must, therefore, be used only in relation to specific disciplines, the physical nature of which cannot clearly be defined, for example, ‘memorabilia of rail transport’, ‘memorabilia of the theatre’. The secretariat does not insist upon a clear distinction between ‘ephemera’ and ‘memorabilia’. See also ‘ephemera’, ‘miscellany’ and ‘objets d’art’.</p>	Specific use only

TERM	SUGGESTED USE
<p>Metalwork: Do not use this term if possible. It is too broad. Rather valuers to list their specific fields such as ‘silver’, ‘pewter’, ‘ironwork’, ‘jewellery’ or the like.</p>	Avoid using
<p>Meteorites: Refers to fragments of organic extra-terrestrial material which survive their fall to earth from space. These are subdivided into iron, stony (chondrites and achondrites) and stony-iron varieties.</p>	Recommended
<p>Micronesian: Refers to the islands northwest of the Melanesian Islands of the Pacific. The group includes the Carolines, the Marianas, the Marshalls and the Gilbert Islands.</p>	Recommended
<p>Militaria: Refers to material of a small or minor nature pertaining to the armed forces. The term excludes armaments and major equipment such as machine guns, tanks or aeroplanes.</p>	Recommended
<p>Minerals: Refers to naturally occurring chemical elements or compounds often showing natural crystalline form.</p>	Recommended
<p>Miniatures: The term refers most commonly to very small portraits of a type common in Europe and European-influenced countries before the use of photography became widespread. It also refers to decorative Indian and Persian manuscript pages.</p> <p>As these two forms are historically distinct areas of expertise involving material commonly referred to as ‘miniatures’, valuers should qualify the term with the appropriate geographical limitation.</p>	Recommended
<p>Miscellany: The use of this term is acceptable only in circumstances in which valuers are called upon to value a collection consisting primarily of material in their approved field, but which also contains a few objects which can best be described as ‘miscellany’.</p> <p>When these objects appear to be of low value and bear some relation to the valuer’s already approved class of property, the secretariat will entertain an application to value ‘miscellany’, ‘ephemera’, ‘objets d’art’ or some such general category for a specific task. Approval must be obtained in advance of submitting a valuation for any object not already covered by a valuer’s approved field.</p>	Recommended
<p>Models: Refers to scale replicas of utilitarian man-made devices, for example, ‘ship models’, ‘model aeroplanes’, and so forth.</p>	Recommended
<p>Modern: Do not use this term. It is too vague.</p>	Avoid using

TERM	SUGGESTED USE
<p>Mollusca: Refers to a phylum comprising soft-bodied unsegmented animals (usually in a hard shell) of the classes Amphineura, Gastropoda, Cephalopoda and Lamellibrachia. The term is taken to refer to the shells of such animals.</p>	Recommended
<p>Motor vehicles: Wheeled, mechanically powered vehicles intended for transport on land. The category includes steam and electric driven vehicles as well as those powered by combustion engines. It primarily includes trucks, cars, buses and motorcycles.</p>	Recommended
<p>Musical instruments Refers to devices for producing sounds in harmonic or melodic combinations.</p>	Recommended
<p>Musical instruments, stringed or chordophones: Refers to stringed instruments that are plucked and include zithers, harpsichords, virginals, spinets, lyres, harps, guitars, lutes, banjos and so forth. Chordophones which have frets include lutes, sitars, theorbos, mandolins and guitars which are plucked and viols which are bowed.</p>	Recommended
<p>Natural history: Do not use this term if possible. Use 'biological specimens', 'botanical specimens', 'entomological material' or the like to define the field within a tighter and more scientifically accurate framework. On occasion it may be appropriate to use the term as, for example, in the class 'natural history books and manuscripts'.</p> <p>This category is taken to refer to organic disciplines only.</p>	Avoid using
<p>New media art: This term encompasses digital art and hybrid art, a considerable range of works, forms and experiences where new technology is used to create works that explore new modes of artistic expression. New technologies used include computers, information and communications technology, virtual or immersive environments, or sound engineering.</p> <p>The following categories are included in new media art materials and also appear in this glossary: 'conceptual art'; 'documentary art'; 'documentation'; 'earth art and earthworks'; 'installation or installation art'; 'interdisciplinary art'; 'performance art'; 'time-based art'; 'holograms'; and 'video recordings'.</p> <p>See Appendix E for guidelines for the valuation of new and multimedia art materials.</p>	Recommended

TERM	SUGGESTED USE
<p>Numismatic material: This term includes coins, paper money, commemorative medals and scripophaly (bond and stock certificates). It excludes campaign and other military medals.</p>	Recommended
<p>Objets d’art: Refers to small objects of aesthetic merit. The term implies that the object so categorised possesses intrinsic as well as artistic value. The use of this phrase is acceptable only in circumstances in which valuers are called upon to value a collection consisting primarily of material in their approved field, but which also contains a few objects of an artistic nature which cannot reasonably be more specifically categorised.</p> <p>When these objects appear to be of low value and bear some relation to the valuer’s approved class of property, the secretariat will entertain an application to value ‘objets d’art’ (as defined here) for a specific task. Approval must be obtained in advance of submitting a valuation for any object not already covered by a valuer’s approved field.</p>	Recommended
<p>Oceanic: Refers to the island groups of Melanesia, Micronesia and Polynesia. The term does not cover Australia. The secretariat requires that separate reference be made to Australia.</p>	Recommended
<p>Old: Do not use this term. It is too broad. Use a range of dates.</p>	Avoid using
<p>Oriental: In the field of rugs and carpets, the term refers to material produced from the Balkans east through China. It does not include rugs and carpets from North African centres such as Egypt, Tunisia and Libya. Except in relation to rugs and carpets, the term is a synonym for ‘Asian’ and valuers should use the latter term (Asian).</p>	Specific use only
<p>Pacific: Do not use this term. It is too general to serve as a definition of geographic limitation for valuers. It is most commonly used as a synonym for ‘Oceanic’, which is preferred.</p>	Avoid using

TERM	SUGGESTED USE
<p>Paintings: Refers to two-dimensional works of art dependent upon the predominance of representation of masses as opposed to drawings which depend largely on linear representation.</p> <p>In its technical sense, the term refers to works of art usually created with a brush by means of a medium oriented to the depiction of mass areas such as oil, gouache, synthetic polymer paint, tempera or watercolour.</p> <p>Pastel is a dry medium often regarded by museums as a form of painting, and its inclusion is acceptable in the approved area for valuers of paintings. Collage is also regarded as being a form of painting.</p>	Recommended
<p>Pastel: Refers to chalk or crayon made from pigments and fillers held together (in modern times) in stick form, although historically it took other forms as well.</p> <p>It is regarded as a painting medium because, although applied dry, the colour is treated as an overall mass rather than as an arrangement of lines. Approval to value paintings incorporates approval to value pastels. It is the distinction in treatment rather than medium which distinguishes pastel paintings from chalk drawings.</p>	Recommended
<p>Performance art: Refers to art in which works in any of a variety of media are premeditated and executed before a live audience. Performance art presents actual events as art as distinct from theatrical performances which present illusions of events. By their nature performance art works will be known to posterity through documentation.</p>	Recommended
<p>Persian: Literally, Iranian. In the discipline of rugs and carpets, however, the term is taken to refer to the main rug weaving tribes of the former Persian Empire comprising the Caucasian, Iranian and Turkoman groups.</p>	Recommended
<p>Personalia: Refers to material which may have value above and beyond that suggested by its inherent nature due to its association with a particular individual or group of historical note.</p>	Recommended
<p>Philatelic material: Postage stamps and related material of value to collectors of stamps.</p>	Recommended
<p>Phillumeny: Refers to pyrotechnic material and the paraphernalia associated with it, including such things as matchboxes, cigarette lighters and the like.</p>	Recommended

TERM	SUGGESTED USE
<p>Photographs: Images reproduced through the chemical action of light on sensitised paper or other material. Although photographs are often used as an element of collage, a valuer approved for this discipline is assumed to be involved with photographs in their own right, not as elements of works whose major aesthetic thrust derives from other techniques or motivation.</p> <p>The category ‘photographs’ only refers to still images but also includes valuation of photographic negatives. Some valuers may wish to specify their expertise by referring to ‘historic’ or ‘pictorial’ photographs (as documentary material) or ‘artistic’ photographs (as aesthetic statements).</p> <p>The qualification ‘still’ in reference to photographs need only be used where it is necessary to draw a distinction between such photographs and motion pictures. Motion pictures should be described as ‘film’. See Appendix E for specific guidelines on the valuation of photographic material.</p>	Recommended
<p>Polynesian: Refers to the islands of the central Pacific including the Hawaiian Islands, Tuvala, Fiji and New Zealand along its western-most extremity.</p>	Recommended
<p>Post-classic: Refers only to motor vehicles and covers the period from calendar year 1941 onwards.</p>	Specific use only
<p>Posters: Refers to announcements or advertisements, printed in multiple editions intended for public display.</p>	Recommended
<p>Precious: Refers to gemstones, and includes the most highly desirable range of that category including diamonds, emeralds, rubies and the like.</p> <p>As the distinction between ‘precious’ and ‘semi-precious’ is open to interpretation and can depend upon the individual quality of a particular gem, valuers of gemstones are assumed to be concerned with both areas unless they state a particular limitation. See also ‘gemstones’.</p>	Recommended
<p>Pre-Columbian: Refers to the native arts of North and South America specifically before the discovery of the Americas by Columbus in 1492, but by extension to the traditional arts of the Americas before they were affected by European culture.</p>	Recommended

TERM	SUGGESTED USE
<p>Pre-mechanical clocks: Refers to devices (such as sundials or hourglasses) for the measurement of time other than clocks or watches. Clocks and watches should be listed as separate categories.</p>	<p>Specific use only</p>
<p>Premises: Refers to coherent bodies of material of value more for their historical worth as the assembled paraphernalia of a given trade or way of life; as opposed to furnishings that are usually non-movable (such as wallpaper, built-in cabinets and the like) and which are more generally covered by the term 'interiors'. 'Premises' is taken to include out-of-door appurtenances. It should be remembered, however, that gifts of land, buildings or parts of buildings are not eligible under the Cultural Gifts Program.</p>	<p>Recommended</p>
<p>Printing: Refers to sheets produced in quantity through mechanical means which are not bound to form books. They may reproduce text or visual images. If the sheets reproduce visual images, a valuer authorised to value this class of material is expected to assess the rarity and technological achievement of the printer's art, not the artistic value of the object as an example of the fine arts. See also 'books' and 'prints'.</p>	<p>Recommended</p>
<p>Prints: Refers to images printed in limited multiple forms based on master designs created by artists on suitable material, such as a copper plate or a wood block, and printed under the artist's supervision. This category includes methods such as etching, engraving, drypoint, aquatint, mezzotint, lithography, and serigraphy (silk-screen prints). Monotypes (single impression prints) are included in this category.</p>	<p>Recommended</p>
<p>Rare: Do not use this term. It represents a value judgement that has no bearing on objective classification of valuers.</p>	<p>Avoid using</p>
<p>Regency: A term referring to the period of the Regency of George IV from 1811–1820. As the style began to emerge some years before the actual period of the Regency and continued its dominance for some years afterwards, it is preferable to use a range of dates instead of the word 'Regency'.</p>	<p>Avoid using</p>
<p>Rocks: Aggregates of one or more different minerals (including natural glasses). Tectites are included in this category.</p>	<p>Recommended</p>

TERM	SUGGESTED USE
<p>Rugs: Stout, hard-wearing fabrics generally intended for use as floor coverings, but sometimes intended for use as saddle-bags, wall hangings or table covers. The terms ‘rug ‘ and ‘carpet’ imply a distinction in size, rugs being under 40 square feet and carpets being over 40 square feet. For the purposes of classifying valuers, the terms are interchangeable.</p>	Specific use only
<p>Scientific material: Refers to the paraphernalia of scientific study such as microscopes, specimen cabinets and the like. The term does not refer to the objects of study such as geological or entomological specimens which should be listed as separate categories.</p>	Specific use only
<p>Sculpture: Works of art in three dimensions. The term encompasses reliefs of all sorts as well as sculpture in the round. It excludes decorative arts, that is, objects of practical utility in themselves. Sculpture is regarded as a particular area of expertise which must be stated in any application from a valuer who wishes to be approved for that discipline.</p>	Recommended
<p>Second-hand: Refers to books or other goods which have been previously owned. In reference to books this term encompasses the word ‘antiquarian’ used by some valuers of second-hand books to designate rare and early specimens.</p>	Recommended
<p>Semi-precious: Refers to gemstones and consists of the range of that category less rare and desirable than those constituting precious stones.</p> <p>As the distinction between ‘precious’ and ‘semi-precious’ is open to interpretation and can depend upon the individual qualities of a particular gem, it is assumed that valuers of gemstones are concerned with both areas unless they state a particular limitation.</p>	Recommended
<p>Silver: This category is taken to include vessels and other objets d’art but not jewellery.</p> <p>A valuer of silver is expected to be able to assign value not only to the metal content of a work but also to assess its artistic and historic value as well. Valuers of silver are permitted to value similar works in gold or other precious metals as well as plated works.</p>	Recommended
<p>Sound recordings: Refers to discs, cylinders, magnetic tapes or the like upon which are implanted signals capable of mechanical translation into sound. This category does not include music boxes or the equipment used in rendering the signals audible.</p>	Recommended

TERM	SUGGESTED USE
<p>Southeast Asian: Refers to that part of Asia bounded by India on the west, China on the north and the Pacific Ocean on the east. It includes Burma, Thailand, Malaysia, Cambodia, Laos, Vietnam, the Philippines, Singapore and Indonesia.</p>	Recommended
<p>Stamps: See 'philatelic material'.</p>	
<p>Stones: Small rocks. The term is taken to be interchangeable with 'rocks'.</p>	Recommended
<p>Tapestries: Fabrics containing decorative patterns produced by weaving. That such decorative textiles are manufactured by weaving distinguishes them from embroidery and other techniques used to create patterns in fabrics.</p>	
<p>Textiles: Refers to cloth. The word is taken to refer to cloth other than articles of dress or attire which must be separately given as 'costume'.</p>	Recommended
<p>Thoroughbred: To be used for cars only. Refers to racing or sports cars of all periods.</p>	Specific use only
<p>Time-based art: This term covers a range of media where the work unfolds or changes over time. The term is generally understood to include performance art, installation or sculpture that includes moving components, video and film and digital media (especially interactive works).</p> <p>Some works may be known only through documentation due to the ephemeral nature of their time-based components.</p>	Recommended
<p>Traditional: A term implying expertise in conservative art styles of any era. It does not refer to any specific period and should only be used, if at all, in conjunction with a more explicit description of the time span involved.</p>	Qualified use only
<p>Treen: Refers to objects made of wood generally of a small or minor nature, which cannot be more specifically classified. This category does not include furniture which should be listed separately.</p>	Recommended
<p>Trophies: This category is taken to refer to portable objects usually made of metal to celebrate prowess or victory, often in sporting endeavours, and commonly inscribed with data relating to the event commemorated.</p>	Recommended

TERM	SUGGESTED USE
<p>Vessels: Refers to both ships and boats. Ship models are considered to constitute a separate category.</p>	Recommended
<p>Veteran: This term is to be used for motor vehicles only. It covers the period to the end of calendar year 1918.</p>	Specific use only
<p>Victorian: Refers to the period of the reign Queen Victoria, 1837–1901. It applies only to works created in the United Kingdom and its colonies.</p>	Specific use only
<p>Video recording: Refers to a visual image for display on monitor or projection on screen, stored on magnetic tape or more recent digital media. This category is specific to simple recording and editing of visual images.</p> <p>The use of video in film, sculpture, installation and new media must be listed in those categories. See Appendix E for guidelines on the valuation of film and video material.</p>	Specific use only
<p>Vintage: As applied to motor vehicles it covers the calendar years 1919–1930. As applied to photography, it refers to prints produced by the artist himself.</p>	Specific use only
<p>Watches: Small timepieces intended to be carried on one’s person.</p>	Recommended
<p>Watercolours: The term encompasses both traditional watercolour, a transparent painting medium of which water is the vehicle, and its opaque variant, gouache. Both are usually applied to paper. A valuer approved for paintings is automatically approved for watercolours as well, although valuers are welcome to apply for ‘watercolours’ as a separate category exclusive of ‘paintings’.</p>	Recommended
<p>Weapons: Refers to offensive instruments used in war or combat. Generally, the term is taken to cover such paraphernalia from cultures relatively unsophisticated in the technology of warfare, while ‘arms and armour’ refers to the basic offensive and defensive equipment of technologically developed civilisations. See ‘arms and armour’ and ‘militaria’.</p>	Recommended
<p>Weaving: Refers to textured fabric made by interlacing or entwining flexible elements, such as yarn and fibrous materials, by hand often with the use of a loom, or by machine.</p>	Recommended

Appendix E

Guidelines for valuing certain kinds of property

The secretariat is aware that difficulties exist with respect to the valuation of certain kinds of property because they have a limited commercial market.

The following guidelines for valuing scientific journals; manuscript and other paper-based documentary material; aircraft; film and video material; photographic material, and new and multimedia art material have therefore been developed, in consultation with valuers and other experts. These guidelines should be referred to when valuing donations in these particular classes.

In all property areas, valuers should assess a 'neutral' GST inclusive market value (as defined on page 9 of this guide) and should not take into account any special requirements of the donor or the recipient institution.

Unless stated otherwise, valuations should be based, where possible, on prices paid by collectors or similar material. All valuations must be substantiated.

Valuers of large collections, such as film and video material or manuscripts, should also include a breakdown of the various components and the extent to which factors have affected the monetary value. At Appendix F are guidelines for valuing collections of donated material.

Guidelines for the valuation of scientific journals

Specific guidelines for the valuation of scientific journals include the following:

- w Valuations should be based on current listings of second-hand journal sales in Australia where these are available. Wherever possible valuers must be able to substantiate values on the basis of sale prices.
- w In the absence of a second-hand market, valuations may take into account the cost of replacement issues or whole runs of journals.
- w Where the journals are available online, on CD-ROM or on microform, this should be taken into account. The replacement cost of hard copy would usually be higher and should not be taken into consideration where an alternative is available.
- w Complete runs of journals are more valuable than broken runs or odd issues and bound copies of sets are more valuable than unbound.
- w Scientific journals are valuable primarily for the information they contain, seldom for scarcity or curio reasons—except early publications, for example, from 17th to 20th century—so a buyer would not expect to pay more than the current subscription price.

- w The following factors should also be taken into account in valuing scientific journals:
 - current listings of overseas second-hand sales (these are to be cited);
 - original price modified up or down by rarity considerations; and
 - current subscription price (in cases where several rates are available, the rate paid by the donor—that is, individual subscription price—should be referred to).

Guidelines for the valuation of manuscript and other paper-based documentary material

Specific guidelines for the valuation of manuscript and other paper-based documentary material include the following:

- w When large collections are valued the secretariat considers that comparisons with other sales of large collections are more relevant in establishing current market value than multiplying the sale prices for individual items by the number of items being donated.

For example, a collection of 500 letters might sell at auction for \$4,000 but if the collection were to be broken down into smaller components for sale the average of the unit price might be a good deal higher than \$8. The secretariat therefore requires that examples of sales cited should be for comparable sales of large collections.
- w The following should also be taken into consideration:
 - the condition of the material;
 - research value, including its perceived relevance to scholars and students in the future;
 - importance of the owner of the material (breadth and range of the person's career in their particular field);
 - richness and range of material, such as the extent that the material provides evidence of the creative process or is a comprehensive collection of the author's work and personal papers (documents covering the author's whole lifetime would have a higher value than material covering only the last few years);
 - whether the material is handwritten (as this is clear evidence of authorship and may also show amendments and the creative process);
 - whether the material is a first draft (which is deemed to have a higher value) or edited material;
 - who holds the copyright; and
 - ease of access to material/restrictions on use.

Guidelines for the valuation of aircraft

Specific guidelines for the valuation of aircraft include the following:

- w Valuations should be based on recent published sales figures, both oral (suitably documented) and written, provided by reputable aircraft brokers. Insurance and replacement values may not serve as the basis for establishing valuations.
- w Comparable values should relate to the preceding five years and should reflect Consumer Price Index and market adjustments.
- w Overseas market prices, quotations and sales figures should be quoted when domestic values are unavailable. In such instances (as with domestic market prices) they should be adequately referenced, and reflect currency, regional and market variations. They should also reflect the remaining hours of certification of the principal components of the aircraft since its last inspection.
- w As valuers are expected to authenticate material being valued it is preferred that they see the original object. Where difficulties of access arise, an aircraft may be valued 'sight unseen' provided the valuer can adequately substantiate authenticity, condition and provenance, and is satisfied with the veracity of the information supplied by the donor and/or recipient institution.
- w The following should also be taken into consideration when valuing aircraft:
 - complete, original and/or serviceable aircraft can be more valuable than modified and unserviceable aircraft;
 - operational and prototype aircraft can be more valuable than training, production and/or instructional variants; and
 - the commercial worth, rarity, scarcity and historicity of an aircraft may affect the valuation. For example, although a value would normally fall when an aircraft becomes obsolete and is no longer sought for commercial purposes, that value may increase if an aircraft becomes a rare example of historical or technological significance.

Guidelines for the valuation of film and video material

Specific guidelines for the valuation of film and video material include the following:

- w Valuations for incomplete films/excess footage/out-takes would be expected to be less than for complete works and will need more substantial justification.
- w Cinema features (both documentary and drama) should be valued in terms of the physical material only and should not include an enhancement factor for the higher costs associated with their production.
- w Release prints should be valued at cost price except in circumstances where the original/master copy is no longer in existence.
- w Valuers may apply a maximum rate derived from current royalty fees charged by stock shot libraries.

- w Valuers should also take into account the following factors:
 - base material (for example, nitrate, video, acetate) and condition of the material (including potential for preservation);
 - age, rarity and cultural significance of the material;
 - origin of the material (Australian or other);
 - image only (sound track missing) or image not synchronised accurately (this does not relate to silent film);
 - in the case of collections of film material, the extent to which the collection is complete (that is, are there missing components/episodes?);
 - extent and quality of accompanying documentation (for example, includes shot-by-shot scene descriptions with footages);
 - historical and research value, including its perceived relevance to scholars and film-makers in the future;
 - who holds the copyright and whether copyright is included in the donation;
 - ease of access to material/restrictions on use; and
 - additional complementary material such as publicity documents/production correspondence.

Guidelines for the valuation of photographic material

Specific guidelines for the valuation of photographic material include the following factors:

- w condition of the material;
- w physical nature of the material—for example, prints or negatives;
- w date prints were made from the negatives;
- w provenance;
- w primary inscriptions (work that is signed in the photographer's own hand);
- w whether the photographic material forms part of a collection/part of a portfolio (noting that in some instances the overall market value of a large volume of material may be less than the sum total of the established value for individual components);
- w significance of the subject matter (an identified person, place or event);
- w rarity of subject;
- w age of material (for example, a vintage or modern print);
- w nature of material (for example, documentary/social history collection);
- w importance of photographer (breadth and range of the person's career in their particular field);
- w quality of material, including technical skill of photographer;
- w historical and research value;
- w degree of accompanying documentation;

- w suitability for reproduction;
- w copyright status (if copyright is not transferred, this may reduce the value); and
- w ease of access to material; any restrictions on use.

Guidelines for the valuation of new and multimedia art material

As the field of contemporary art expands, it is clear that the existing categories of possible donations under the Cultural Gifts Program do not adequately address the range of media and materials with which artists currently work.

To better reflect contemporary practices the following information has been included. However it is acknowledged that these guidelines will need to continue to evolve so that they reflect contemporary art practises.

Please note the material which has been assembled below has been developed taking account the publication, *In Repertoire, A guide to Australian new media art*, which was published by the Australia Council for the Arts in 2003.

Incorporated into the 'Glossary of terms for valuers' (Appendix D) are terms to assist valuers and collecting institutions to ensure that there is a consistent and, for the purposes of the Cultural Gifts Program, an agreed use of terminology to describe the works of art being gifted.

The secretariat would appreciate any comments valuers, artists, donors and institutions may wish to provide with a view to better adapting these guidelines and terminology to this new and emerging field of artistic endeavour.

Two general considerations should be taken into account in the valuation of new and multimedia art material:

- w the Cultural Gifts Program should not be used as a vehicle for creating a de facto market for an artist; and
- w valuers must define the terms they use.

The following should also be taken into account when valuing new media art materials:

- w cultural significance of the material;
- w origin of the material (Australian or other);
- w evidence of authenticity and history of ownership of the material;
- w whether the copyright is being donated with the material;
- w physical nature and age of the material;
- w condition of the material including its potential for long term preservation;
- w extent and quality of accompanying documentation (for example floor plan, photographs, operating manual, wiring diagram);
- w equipment required to display the work and whether this restricts its use;

- w scope of the recipient institution's rights of usage of the item (for example, can the institution duplicate it freely or use the material without restriction to display it in an exhibition environment, or whether the institution has the rights to reproduce the contents for sale);
- w whether the original work is able and permitted to be reinstalled or reassembled in places other than the original site;
- w format, especially for electronically or digitally stored works (for example, master, sub-master, exhibition copy); and
- w rarity/exclusivity (for example limited edition works) - indicate how many other copies exist.

Appendix F

Guidelines for valuing collections of donated material (excluding fine art items)

Valuation of collections

- w Valuations of collections should be based on the collection as a whole. Valuers should use a clear methodology and should provide an explanation to support the methodology used. Individual items valued at \$500 or more must be itemised.
- w Examples of sales cited to support the assigned value should be of comparable collections, where possible, rather than individual items.
- w Due to the unique nature of a collection, it is often not possible to cite examples of sales of that exact material and accordingly, comparable collections should be cited as examples. Valuers should provide justification supporting the use of these collections as being comparable to the collection being donated.
- w Valuations must not be based on speculation as to what the material might fetch if sold in the future but rather on hard evidence of what the collection, or a similar collection, has sold for in the recent past.
- w Supporting material included in a collection may impact on the overall value, eg letters and papers may support medals and trophies awarded for sporting achievements. Valuers should clearly state the impact that supporting material has on the overall value of the collection and cite examples where this has occurred in comparable collections.

Presentation of documentation for collections

- w The use of spreadsheets attached to forms is acceptable. It is important that a complete list of items being donated is attached to the Donation Summary/Certificate of Donation and a separate list attached to each Valuation Certificate with the valuer's valuation figures included. Valuers may wish to break items into categories and provide averages across the categories. Valuers should not complete separate Valuation Certificates for each item in a collection.
- w Institutions requesting valuations must provide a list of items to each valuer. Valuers must use the list provided and ensure that the items remain listed in the same order throughout the documentation so that the secretariat can make a comparison of values assigned to particular items.
- w Sub-totals and totals of valuations must be included on all forms, spreadsheets and attachments.
- w Images of a representative selection of items in the collection must be provided to assist the secretariat to understand the nature of the collection.