

Incorporated Societies 2022 Act – What it means for you:

Date: 24 May 2022

The new Act has now passed into law. It is intended to make incorporated societies more robust from a governance standpoint, by introducing officers duties and requirements for dispute resolution processes.

There is a transition period during which incorporated societies will continue to be subject to the 1908 Act until they re-register under the 2022 Act. Societies that fail to re-register between October 2023 and April 2026 will cease to be incorporated and will be removed from the Register.

Re-registration will involve filing a constitution that is compliant with the new Act.

Key changes

- **Minimum number of members** required for an incorporated society is reduced from 15 to 10.
- **Consent of each member** of the society will need to be collected, for example, by ticking a box when renewing their annual membership.
- Each society must appoint at least **one Contact Person** to be contactable by the Registrar.
- **Officers have new duties**, which include acting in good faith and in the best interests of the society, complying with the 2022 Act and the constitution, and exercising the care and diligence that a reasonable person would exercise in the circumstances.
- The **majority of officers** on the society's board or **committee must be members** of the society and all officers must not be disqualified from being an officer.
- **Dispute resolution processes must be included** in the society's constitution and the processes must be consistent with the rules of natural justice.
- New rules define when an officer has a **conflict of interest** and a duty to disclose conflicts.
- **Societies can provide insurance and indemnify officers** and employees.
- **Simplified financial reporting for small societies.** Regulations (not yet been released) will provide further details on the requirements for different sized societies.

What do I need to do?

All incorporated societies will need to re-register with the Registrar by **April 2026** with a constitution that is compliant.

Societies must review their constitution and make any necessary modifications. Societies needing few changes may decide to update, while others may see this as a good opportunity to start afresh.