	Unincorporated group	**Incorporated society**	**Trust**	**Charitable trust board**	**Company**	**Industrial and provident society**	**Māori land trust**
Best suited for	One-off situations Informal and emerging groups with no staff	Not-for-profit membership-based groups	Using property or funds for charitable or community purpose but keeping control in few hands	Not-for-profit bodies operating for charitable purpose (education, religion, relief of poverty, or other community benefit)	Keeping control in few hands, but enjoying limited liability and ease of transferring all or part of ownership	Not-for-profit organisation for the purpose of industry, business or trade	Only for Māori land owners or shareholders of incorporations
Relevant legislation		Incorporated Societies Act 1908 **Incorporated Societies Act 2022**	Trustees Act 1956 Charitable Trusts Acts 1957 (Part 1)	Charitable Trusts Acts 1957 (Part 2)	Companies Act 1993	Industrial and Provident Societies Act 1908	Te Ture Whenua Māori Act 1993 (Māori Land Act)
Operates for benefit of...	Members and/or community	Members and/or community	Charitable purpose (education religion, relief of poverty, or other community benefit) or community issue	Charitable purpose (education, religion, relief of poverty, or other community benefit)	Shareholders	Members and/or community	Landowners and their descendants
Minimum number of people required	2 individuals	10 (However, a member that is a body corporate, such as another incorporated society. counts as three individual members.)	1 trustee (but usual to have 2)	If based on a charitable trust: 1 trustee (but usual to have 2) If based on a charitable society: 5 members	1 shareholder, 1 director (can be same person)	7 individual members	1 trustee (trustees are appointed by Māori Land Court)
Tax status	Income not taxed if group has charitable status with DIA Charities and IRD Can also operate under a range of exemptions from IRD	Income not taxed if group has charitable status with DIA Charities and IRD Can also operate under a range of exemptions from IRD	Income not taxed if group has charitable status with DIA Charities and IRD Can also operate under a range of exemptions from IRD	Income not taxed if group has charitable status with DIA Charities and IRD Can also operate under a range of exemptions from IRD	Charitable status possible	Tax paid on profits over wages and expenses	Charitable status possible
Decision-making	By members at general meetings and/or by the management committee	Usually by members at general meetings and/or by management committee-but will depend on society's rules, which may grant different voting rights to different levels of membership	By trustees	By trustees (if the board is based on a trust) or By members and/or management committee (if the board is based on a charitable society)	By directors generally By shareholders at AGM in proportion to shares held	Usually by members at general meetings and/or by the management committee-but will depend on society's rules, which may grant different voting rights to different levels of membership	By trustees
Members	Made up of members with spoken or written agreement between members	Membership rules around joining or leaving the organisation	No members-has trustees appointed under trust deed	Boards can be based on either a trust or a society; the board members will be either the trustees or the members of the society	No members, just shareholders	Membership rules around joining or leaving the organisation	No members-has trustees appointed by Māori Land Court
Liability of management committee/trustees	Personal individual and joint liability for debts, torts, and statutory obligations and offences	Limited liability if decision-makers act legally, prudently, within society's objects, and not for personal gain	Trustees will be personally liable, but usually the trust deed will grant them the right to be indemnified out of the trust property	Likely to be limited liability if decision-makers act legally, prudently, within board's objects, and not for personal gain	Limited liability if directors act legally, prudently, within company's objects, and not for personal gain Also specific legislation provisions for directors	Limited liability if decision-makers act legally, prudently, within society's objects, and not for personal gain	Limited liability if decision-makers act legally, prudently, within society's objects, and not for personal gain Also specific legislative provisions for trustees
Reporting requirements	None, unless the group has charitable status (reporting to DIA Charities)	Annual financial statement register of members, change of rules and office - to Registrar of Incorporated Societies Additional requirements if charitable status -to DIA Charities	None, unless the trust has charitable status (reporting to DIA Charities)	Changes of rules, name or office: changes in board members (f land is owned)-to Registrar of Incorporated Societies	Change of constitution, name or office; list of directors; and (for some companies) annual accounts -to Companies Office Additional requirements if charitable status-to DIA Charities	Annual financial return to Registrar of Industrial and Provident Societies	Annual financial statements to Registrar of Māori Land Court
Assets on winding up (liquidation)	Surplus assets will be disposed of according to the group's rules or as agreed by the members, unless the group has charitable status	If the society is liquidated or removed from the register, a society can't distribute surplus assets to its members. Instead, it has to distribute them to a not for-profit entity	Assets disposed of as provided in the trust deed; assets usually distributed to another trust or organisation with similar charitable purposes	All surplus assets (after costs, debts and liabilities have been paid) are disposed of as provided in the trust deed or society rules, or as ordered by the courts	Surplus assets are distributed among shareholders, unless the company has charitable status	Surplus assets can be distributed among members, unless the society has charitable status	As the courts direct or to beneficial owners or successors