

# Donations Ordinance (1998:140)

This is a english translation of the Swedish Donations Ordinance  
(Donationsförordningen (1998:140))

## **Swedish Donations Regulation (1998:40)**

Swedish Statute Book 1998:140 up to and including SFS 2013:591

**SFS no.:** 1998:140

**Ministry/authority:** Ministry of Finance BA ToT

**Issued:** 19/03/1998

**Amended:** up to and including SFS 2013:591

**Register of amendments:** SFSR (Lagrummet)

**Source:** Government Offices of Sweden/Lagrummet.se

Adapted from Karolinska Insitutet.

## **Contents:**

### *Scope*

1 § This regulation applies to authorities subject to the Swedish government and contains provisions concerning the acceptance and administration of donations and concerning commitments to administer a foundation. Ordinance (2011:221).

2 § In this regulation, a donation denotes every type of property transfer to an authority through a gift or testamentary disposition that takes place without a requirement for any consideration in return or specific beneficiary position and where the property is not used to create a foundation.

3 § This regulation does not apply to property that is received from

1. another government agency,
2. a foundation that has been formed using funds that derive from the liquidation of employee investment funds (löntagarfonderna), or
3. an international organisation with which Sweden is affiliated.

### *Acceptance of a donation*

4 § An authority may accept a donation, provided the purpose of the donation is closely connected to the authority's activities or if there is no detailed specification of its purpose.

5 § A donation may not be accepted if this would result in an increased need on the part of the authority for funds from the government budget or if the donation has conditions attached that are incompatible with any of the provisions in this regulation.

6 § Acceptance of a donation requires the government's consent if the transferred property

1. consists of real property, site leasehold rights or a building that is personal property if the property shall be held by central government for more than two years following the authority's acquisition of unrestricted right of disposal of the property,
2. consists of shares that are equivalent to 50 per cent or more of the votes for all shares in a limited company, a share of a partnership or a stake in an economic association,

- 3. consists of patent rights,
- 4. must be used to acquire such property as indicated in 1–3, or
- 5. may not be disposed of.

7 § If the property consists of a cultural object or an object that must be included in an authority's collections, the authority may accept the property even though it may not be disposed of.

#### *Administration of a donation*

8 § Property that an authority accepts as a donation becomes the property of the government.

9 § An authority that has accepted a donation must ensure that the property is administered in a manner that is appropriate with respect to the purpose of the donation and is used for the purpose determined by the donor or, if there is no purpose specified, for a purpose within the authority's area of operations.

10 § If specific conditions have been stipulated for the administration or investment of the property, these must be applied.

11 § If specific conditions associated with the donation do not prevent this, liquid assets shall be deposited in the authority's interest-bearing account or in another account at the Swedish National Debt Office. The authority may instruct the Swedish Legal, Financial and Administrative Services Agency to administer funds that will not be used within the next two years in accordance with the Regulation (1987:778) concerning the placement of funds under the administration of the Legal, Financial and Administrative Services Agency.

12 § After the government has given its consent, an authority may, provided it is not prevented by any specific conditions associated with the donation, invest donated funds that will not be used within the next two years in Swedish government bonds and treasury bills, mutual funds subject to the Swedish Investment Funds Act (2004:46) or in shares registered with a regulated market in Sweden.

The government can also consent to the authority instructing another party to invest the funds in this manner.

If the government has consented to an investment in shares, a maximum of five per cent of the capital invested in shares may be invested in any single company. Furthermore, a holding may not exceed five per cent of the voting rights for all shares in any one company. Regulation (2013:591).

13 § An authority that administers a donation that may provide a financial return must withdraw compensation each year for the costs that the authority has for ensuring that the purpose of the donation is met and for the administration of the property.

14 § If the authority deems the circumstances regarding a donation have changed in such a way that the conditions for permutation exist, the authority administering the donation must apply for this.

#### *Commitment to administer a foundation*

15 § An authority may commit to administering a foundation if the purpose of the foundation is closely associated with the authority's operations.

16 § A commitment to administer a foundation requires the government's consent if the foundation's regulations stipulate that the foundation may not compensate the authority for the administration costs.

17 § An authority that administers a foundation must request compensation from the foundation each year for the costs to the authority of administering the foundation. If the government has given its consent in accordance with Section 16, the authority must not request compensation.

Information in the annual report

18 § If an authority administers a more substantial amount of donated property or property that belongs to a foundation, the authority must report separately in its annual report the costs of and compensation received for the administration of the property that may provide a financial return.

Such disclosure must always be provided for real property, site leasehold rights or buildings that are personal property.

19 § If the administered donations are more substantial, the authority must report the overall size of the donations, the forms of investment chosen and the return in its annual report. However, such disclosure is not required for capital that is deposited in the authority's interest-bearing account at the National Debt Office.

20 § An authority that has accepted a high value donation or has committed to administering a foundation over the course of the year must state this in its annual report.

#### *Application of regulations*

21 § The Swedish National Financial Management Authority may issue those regulations that are required for the application of this regulation. Regulation (1998:446).

#### *Provisional regulations*

1998:140

1. This regulation takes effect on 1 May 1998.
2. With this regulation, Regulation (1964:484) on the acceptance of gifts and donations on behalf of the government, Public Notice (1968:453) on the investment of donations and funds administered by a government agency, as well as the Swedish Agency for Public Management's circular (1968:773) on the surrendering of donations and similar funds to the administration of the Agency for Public Management's fund bureau are repealed.
3. Funds that were invested prior to 1 May 1998 in a manner other than that stipulated in Section 11 must be invested in accordance with the provisions in this regulation in conjunction with the investments being changed; however, this must take place no later than 31 December 2001.
4. Before consent from the government pursuant to Section 12 is obtained, an authority may continue to administer donated funds itself or have another party administer these funds, however no later than the end of 1999.
5. If an authority has, prior to 1 May 1998, committed to administering a foundation the regulations of which prevent the authority from obtaining compensation for its administration costs, the authority may continue administering the foundation even after this regulation takes effect.

2004:78

1. This regulation takes effect on 01 April 2004.
2. That which is stated in Section 12 concerning mutual funds shall also apply to securities funds that are administered by fund companies that, in accordance with Section 3 of the Act (2004:47) on the passing of the Investment Funds Act (2004:46), conduct business in accordance with the Mutual Funds Act (1990:1114)