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Dear Sir/Madam

I wish to make a submission regarding the consultation paper which proposes potential reforms to Deductible Gift Recipient (DGR) tax arrangements. I am happy for this submission to be made public.

I am a "responsible person" to a small environmental organisation under the ACNC and the REO. I support the discussion paper proposals that would streamline and simplify reporting and administrative burdens for DGR recipient organisations. The varying definitions of responsible persons under two separate registers is very confusing and difficult to administer.

Some organisations operate a public fund with DGR status separate from other parts of their not for profit operations. There is a need to maintain differentiation between the reporting and administration requirements of these separate sections.

I would like to comment on some of the key points in the discussion paper.

Issue 2: Ensuring that DGRs understand their obligations, for example in respect of advocacy.

This 'issue' is misleading, as it implies that the ACNC Governance Standards and/or the Income Tax Assessment Act (ITAA) somehow limit DGRs' ability to undertake advocacy. Advocating for policy which aims to protect and enhance the natural environment does not offend the ITAA 'principal purpose' requirement of environmental DGRs. Neither are such limits imposed by the ACNC Governance Standards. In any case the advocacy work may not actually be carried out by the public fund (DGR status) section of the organization.

Therefore, in response to Consultation Question 4, the ACNC should not require additional information from all registered charities about their advocacy activities. Such information would be irrelevant in considering whether or not those organisations were meeting their obligations under the ACNC Governance Standards, or the ITAA.

Additional reporting would also place unnecessary extra burden on charities and regulators. As the additional information is not required to analyse DGR status, Consultation Questions 5 and 6 need not be discussed.

Consultation Question 12 – Environmental remediation

The notion that some proportion of every environmental organisation's expenditure should be required to go towards environmental remediation is absurd. There is no attempt in the paper to define "remediation". Some environmental organisations do "on the ground" remediation work, while others perform different but no less important roles directed at protecting and enhancing the natural environment, such as supporting research, public and school education or advocating for environmentally sound policy. To require every group to spend a set proportion of their resources on remediation would limit some organisations abilities to perform their integral specialised roles in protecting and enhancing the environment.

The paper seems to neglect the outcome of environmental advocacy work that aims for long term improvement in the environment. An example is the advocacy and research work that has resulted in government experts recognizing that coal seam gas operations posed a severe risk to the quality of ground water and agricultural land. Another example is the recognition of the actual loss and risk of further losses of Sydney's water supply from long wall mining operations under in the catchment in the Illawarra region.

It is unfair for business with their huge financial resources to be allowed tax deductions for their contributions to their peak bodies that engage in significant advocacy work such as the Minerals Council. Small public contributions to environmental groups are minor in comparison.

Consultation Question 13

I disagree with the REO inquiry's Recommendation 6. Environmental DGRs should not face administrative sanctions for supporting communities' rights to lawfully and peacefully protest against environmentally damaging activities. Such measures would curtail an integral element of our democratic society.

The application of the recommendation, which extends DGRs' liability to 'others without formal connections to the organisation', is impractically wide-ranging. Under the recommendation an environmental group that promoted an event could face sanctions for the individual actions of every person in who attended that event.

The ACNC has stated that it already has the powers required to regulate charities. These powers are sufficient to ensure environmental DGRs are operating lawfully.

In conclusion, I would like to reiterate my belief that environmental DGRs are already subject to significant regulatory burden. Many of the issues raised in the

discussion paper relate to increasing scrutiny, regulation and sanctions for these organisations, which is completely unjustified.

Organisations working on remediation, education, advocacy and other areas are all vitally important to protecting and enhancing our natural environment. Their activities must not be unnecessarily restricted or unfairly burdened.

Sincerely

A handwritten signature in black ink that reads "Jill Green". The script is cursive and fluid.

Jill Green

