

## Independent Schools Queensland Submission to:

### “A STATUTORY DEFINITION OF CHARITY”

### CHARITIES BILL 2013 NO... , 2013

### A BILL FOR AN ACT TO DEFINE CHARITY AND CHARITABLE PURPOSE, AND FOR RELATED PURPOSES

Independent Schools Queensland (ISQ) is the peak State body for Independent schools in Queensland. It is a member of Independent Schools Council of Australia (ISCA) and the ISQ submission to the Charities Bill consultation is included in the ISCA submission.

There is though a particular issue of interpretation of the proposed draft legislation’s impact on 8 of ISQ’s member schools. Therefore, we make this submission with reference to the submission already made by ISCA and include this as an additional element of that submission.

We have a concern that in Queensland, the Grammar Schools (of which there are eight) may be caught by the definition of government entity under section 4 of the draft Act. Queensland Grammar schools are incorporated under a Queensland Act, *Grammar Schools Act 1975*.

By virtue of being a Grammar School incorporated under the Grammar School Act, each school is required to report, not only as do other schools to the Commonwealth and State education authorities, but in addition to the State Auditor General. Grammar School’s financial reports are disclosed on the public record in State parliament.

The eight Grammar Schools each has a DEEWR ID and are recognised by the Commonwealth and State governments as accredited schools in receipt of Commonwealth and State recurrent funding. The operations and purpose of the school clearly come under the definitions in section 7 and section 11 as being “presumed to be for the public benefit” as their charitable purpose is “the purpose of advancing education”.

We understand that *Section 12 – Funding charity-like government entities* has a test which may allow Grammar Schools to be deemed to be a charity. The current draft Act has a link from this Section 12 to *A New Tax System (Australian Business Number) Act 1999. [Subsection 4(1)]* to obtain a definition of a government entity; and then to *A New Tax System (Goods and Services Tax) Act 1999 s 184-1* to obtain the definition of “entity”. We do not believe that this link is clear enough to give an assurance to the Grammar Schools that they will continue to be deemed to be charities under section 7.

We therefore would suggest that the definition of government entity in section 4 specifically exclude Queensland Incorporated Grammar Schools, to give an assurance to these schools that they will continue to access the charitable, tax-exempt status that they currently enjoy.

We would be happy to discuss this submission at your convenience.

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