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The Treasury  
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By email: [NFPReform@treasury.gov.au](mailto:NFPReform@treasury.gov.au)

Dear Madam / Sir

**Restating and standardising the special conditions for tax concession entities (including the 'in Australia' conditions)**

I refer to the revised exposure draft for restating and standardising the special conditions for tax concession entities released on 17 April 2012 by the Assistant Treasurer, the Hon. David Bradbury MP.

**Background**

As Australia's leading female sport, netball strives to deliver fair, safe, inclusive, respectful and supportive environments for all Australians. We believe that netball offers the enjoyment of participation, a sense of belonging and life-long involvement – no matter whether that's as a player, coach, official, administrator, volunteer or fan.

Netball in Australia (Netball Australia and the State/Territory Netball Associations) are committed to leading social change, strengthening and building capacity and capability in communities and providing innovative and sustainable netball programs to empower women and girls.

Netball is ranked as the leading women's participation team sport and the top team based sport in Australia for 15 to 24 year olds. Over 1.2 million participants enjoy the game nationally and Australia has been dominant on the international stage since 1963. Netball Australia has more than 330,000 registered members; 5,000 clubs nationally; 570 Associations; and eight member organisations.

Netball Australia is committed to advancing the sport of netball internationally. Australia has an obligation, as a world leader in netball, to share our knowledge and expertise to support international harmony, enhance integrity, and build capacity within other nations.

Netball is the largest female community based sporting organisation in the world, with more than 70 nations playing and over 21 million participants world-wide. Netball can make a real difference in the lives of women and girls.

Netball Australia is a National Compact Partner and as such is committed to the National Compact's shared vision, purpose and principles.



## **Observations**

Netball has made a number of submissions to the Office for the Not-for-Profit Sector; the Australian Charities and Not-for-Profits Commission (ACNC) Implementation Taskforce; and the Not-for-Profit Reform division within Treasury.

Netball does not purport to be an expert in tax law and found the Exposure Draft, and supporting material, complex and intricate. The fact sheet provided some assistance, however it was still difficult to conclude if there are any significant consequences for netball, or the broader sport industry as a whole.

Netball strongly encourages the Treasury, if it has not done so, to engage with the Australian Sports Commission and the Australian Department of Regional Australia, Local Government, Arts and Sport regarding these reforms.

## **“Not-for-Profit”**

On first reading, the definition of "Not-For-Profit Entity" seems logical. Netball notes that the reform agenda also includes a statutory definition of charity.

Netball Australia attended the ACNC Taskforce community consultation held in Melbourne on 7 February 2012. It is acknowledged that the ACNC's first tranche of reforms focuses on the charitable sector, whilst timeframes for the other not-for-profits are still to be determined, but are not expected to start before 1 July 2014. Of concern both at the public consultation and in written material is the use of the terms "charity" and "not-for-profit". At times the terms are used interchangeably, whilst at other times there is clear differentiation.

## **Deductible Gift Recipients**

Netball Australia notes that the Australian Taxation Office (ATO) will continue to administer federal tax concessions but will accept the ACNC's determination of an entity's charitable status where that status is a condition of accessing such concessions. However, the ATO will continue to determine whether any additional conditions in the tax law are satisfied.

A key ACNC and ATO relationship consideration going forward is the ATO's deductible gift recipients status, given many companies and foundations require "Notices of Endorsement from the ATO as a deductible gift recipient and as a Tax Concession Charity" as an application precursor – currently the DGR process is prohibitive for many NFP national sporting organisations have health, education and welfare rights in their implied in their objects.

It is also interesting to note that the deductible gift recipient Sport and Recreation category appears to be limited to scouts and guides.

Netball appreciates the opportunity to provide comment and looks forward to ongoing involvement.

If you require further information, please contact me on phone (03) 8621 86009, or email [infony@netball.asn.au](mailto:infony@netball.asn.au).  
Yours sincerely

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Nadine Cohen  
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11 May 2012