

Comments on the proposals outlined in the **Tax Deductible Gift Recipient Reform**

S/N	Question	Response
1.	What are stakeholders' views on a requirement for a DGR (other than government entity DGR) to be a registered charity in order for it to be eligible for DGR status. What issues could arise?	Makes absolute sense. The financial advantage of DGR being restricted to registered charities gives assurance that only charities warrant. The governance required of registered charities supports ATO's risk management
2.	Are there likely to be DGRs (other than government entity DGRs) that could not meet this requirement and, if so, why?	Registration with ACNC is relatively easy. So is on-going requirements and annual reporting. Being a small organisation (rev \$650,000) it is a burden but the advantages our DGR status provides us warrants we justify our status. If a charity can't meet basic admin burdens and have the governance to protect the beneficiaries of the charity, it is likely not an organisation that deserves DGR
3.	Are there particular privacy concerns associated with this proposal for private ancillary funds and DGRs more broadly?	Yes, what is public on ACNC registers about individuals. You should have to apply for some info so it is known who is asking who and why
4.	Should the ACNC require additional information from all charities about their advocacy activities?	Yes, charity registration is a privilege and charities should be providing information about their work – at the very least, providing the information will also remind the organisation of its purpose and reinforce it
5.	Is the Annual Information Statement the appropriate vehicle for collecting this information?	Yes, it reinforces on an annual basis the purpose of the charity and also gives them an opportunity annually to ensure that they do not veer from their objectives as a charity
6.	What is the best way to collect the information without imposing significant additional reporting burden?	Questionnaires should be built with leading questions to guide responses. Questions should be clear, unambiguous and seek short answers without requiring unnecessary detail/s. Perhaps have organisations complete it via an online electronic form. Also be aware what questions are already asked/answered for other govt departments (Fed & State) and not duplicate it.

7.	What are stakeholders' views on the proposal to transfer the administration of the four DGR Registers to the ATO? Are there any specific issues that need consideration?	Would be good in terms of reducing the duplication of administrative effort across agencies however ensure that the ATO retains register-specific knowledge/expertise in order to cater to specific needs/structures
8.	What are stakeholders' views on the proposal to remove the public fund requirements for charities and allow organisations to be endorsed in multiple DGR categories? Are regulatory compliance savings likely to arise for charities who are also DGRs?	Anything simplifying the ordeal will be welcome and fixing the ambiguity of terms across the interested parties
9.	What are stakeholders' views on the introduction of a formal rolling review program and the proposals to require DGRs to make annual certifications? Are there other approaches that could be considered?	A formal rolling review program is welcome to weed out the unwanted elements taking advantage of DGR concessions.
10	What are stakeholders' views on who should be reviewed in the first instance? What should be considered when determining this?	Larger organisations with significant revenue
11	What are stakeholders' views on the idea of having a general sunset rule of five years for specifically listed DGRs? What about existing listings, should they be reviewed at least once every five years to ensure they continue to meet the 'exceptional circumstances' policy requirement for listing?	Not much benefit to limiting "DGR" status to 5 years. It is alright to continue the practise of granting specifically listed DGRs the status in perpetuity – perhaps conduct compliance auditing/review every 3 years. If sunset rule is applied to specifically listed DGRs, would add to government administrative burden in reviewing applications – should divert this effort to auditing/reviews instead.
12	Stakeholders' views are sought on requiring environmental organisations to commit no less than 25 per cent of their annual expenditure from their public fund to environmental remediation, and whether a higher limit, such as 50 per cent, should be considered? In particular, what are the potential benefits and the potential regulatory burden? How could the proposal be implemented to minimise the regulatory burden?	Ethically/morally Feels like 25% is too little and business wise 50% too high. Perhaps more consultation required and also review environmental organisation accounts to see breakdown of their annual expenditure – would make for a more educated decision. Donors want their money spent on the cause but the cost of doing business must be met if government doesn't fund infrastructure or capacity building, let alone operational costs.
13	Stakeholders' views are sought on the need for sanctions. Would the proposal to require DGRs to be ACNC registered charities and therefore subject to ACNC's governance standards and supervision ensure that environmental DGRs are operating lawfully?	Public trust in the system and govt's risk management acumen is vital, otherwise other charities suffer. Responsible persons should be personally accountable and return misused funds. There has to be consequences, just as in life.