

From: [Pamela Reeves](#)
To: [DGR Inbox](#)
Subject: Treasury Discussion Paper on Tax Deductible Gift Recipient Reform Opportunities
Date: Wednesday, 2 August 2017 3:13:25 PM



[Treasury Discussion Paper on Tax Deductible Gift Recipient Reform Opportunities](#)

This submission is from the Ryde Gladesville Climate Change Action Group.

We most strongly opposed the proposed specific sanctions for environmental DGRs and call for them to be rejected for the following reasons.

1. The discussion paper fails to provide any justification for, or evidence to support, the singling out of environmental DGRs.
2. It smacks of a political agenda to target one sector of the community due to perceived political beliefs.
3. Specific sanctions targeting environmental DGRs is exactly what vested interests such as the Minerals Council of Australia have been calling for. It is not the role of Treasury of the government to endorse and implement the whim of the fossil fuel and mining sectors, to the detriment of not-for-profits' rights to free speech and advocacy.
4. The proposed specific sanctions is clearly an attempt to limit the activity, and therefore the effectiveness of environmental DGRs.
5. The proposed changes would divert resources from the organisation's purpose and into additional administration and compliance reporting and away from the priorities of the donors.
6. The High Court found in 2010 that advocacy is critical to a healthy democracy. If the Treasury wishes to reform DGR management meaningfully, then it should reaffirm advocacy as a valid and necessary activity of charities and DGRs.
7. Environmental charities provide an important public benefit by facilitating informed democratic engagement to advance environmental protection. Non-government organizations are also recognised as an essential source of independent and trustworthy information.
8. If this proposal is implemented, will the ATO require equivalent additional information from all public and private corporations claiming tax concessions on expenditure, about their lobbying activities?
9. The inconsistency in Treasury's approach is noted with concern. There is no mention of introducing any proposed equivalent limitations or sanctions for public and private corporations that receive the benefit of tax deductibility for expenditure etc when caught breaching pollution, land clearing, threatened species protection, occupational health and safety, tenants' rights and other laws.
10. We note with grave concern that this proposal was specifically espoused by lobbyists for the mining and resources sector during the 2015-2016 REO Inquiry, such as the Minerals Council of Australia, the Queensland Resources Council, the Energy Resources Information Centre and the Australian Taxpayer's Alliance.
11. The proposed limitation contradicts the weight of evidence to the REO inquiry of 2015-

2016, which contributed to half the committee members rejecting the proposal at the time.

12. Of further concern is that fact that while the Discussion Paper purports to reflect the recommendations of the REO inquiry whose report proposed 25% of annual expenditure and made no other mention of any other percentage. Despite this, the Discussion Paper fails to clarify why and how the proposed 50% option has been produced. It is worrying that it is the NSW Minerals Council has publicly called for at least 50%.

13. Peaceful protest is part of a healthy and robust democracy and is undertaken when considered necessary by a range of individuals and organisations. Peaceful protest is not synonymous with 'illegality'.

14. Environmental charities provide an important public benefit by facilitating informed democratic engagement to advance environmental protection. Non-government organisations are also recognized as an essential source of independent and trustworthy information.

15. CSIRO research (focusing on perceptions of mining) found that while the Australian public does not trust information from any one sector absolutely, on average, NGOs were more trusted than government or industry sources.

16. This proposal seeks to tie up and divert charities' resources into time consuming administration, which will frustrate members and donors that monies specifically donated to support the organisation's purpose are not being utilised in accordance with the donor's intent and wishes.

17. Wilfully redirecting donors' money into unnecessary regulatory administration, is counter to community expectations that, as much as possible charities' income is spent directly on meeting their purpose, not being sucked up in administrative management.

18. We reiterate that this divisive proposal raises legitimate concerns regarding the perceived connection between this review and the mining sector's agenda, and that this review's aims are politically motivated and seek to silence certain voices in the community rather than introduce meaningful reforms for the entire not-for-profit sector.

19. This proposal undermines the clear recognition in Australian charity law (both at common law and in legislation) that advocacy and other diverse forms of environmental advancement, improvement and support services are of public benefit to the natural environment and to an informed democratic society.

20. Environmental protection for the public benefit goes well beyond environmental remediation and requires collaboration and expertise in a range of fields, including the NGO sector.

Therefore, in summary, we support

- A strong and diverse environmental sector including charities and other not for profits which is vital to ensure that Australia's environment is protected and that governments and businesses comply with their legal obligations and the rule of law.
- The diverse range of activities that contribute to on-ground environmental outcomes, including advocacy, research, policy development, public education and information about the environment, environmental legal and support services, community engagement and participation, overseas capacity building and local conservation work.

We strongly reject

- The blatant politically motivated recommendations which target only environmental organisations, and acknowledge that the referenced REO Inquiry recommendations, were not unanimous, objective or neutral.

- Any attempts to single out and penalise environment DGRs and charities working to achieve their stated public purpose of protecting the environment and advocating the precautionary principle, on the grounds it will be seen to be politically motivated attempt to silence free public debate, alternative opinions and community dissent.

Yours sincerely

Pamela Reeves

Secretary

Ryde Gladesville Climate Change Action Group

