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Via Email: DGR@treasury.gov.au

RE: Deductible Gift Recipient (DGR) Reform Opportunities Discussion Paper

Thank you for the opportunity to comment on the discussion paper. Below is a short summary of Trees For Life Incorporated's activities and our response to Consultation Questions posed in the Discussion Paper.

About us

Trees For Life is a South Australian based, incorporated association dedicated to the on-ground restoration and protection of the natural landscape through community involvement. Established in 1981, the organisation currently has over 6200 members and 2000 on-ground volunteers. We deliver programs which provide direct assistance to individuals and communities who wish to take practical action to improve the environment.

We seek to achieve our purpose through:

- Identification, care and maintenance of remnant vegetation.
- Production, planting, and care of replacement native vegetation.
- Protection of biodiversity by seed collection, storage and utilisation in revegetation projects.
- Community capacity building through volunteer recruitment, training and management.
- Public advocacy, education programs and community engagement to further understanding of the value of native vegetation, bush care and sustainable land management.
- Business and scientific partnerships with public, private and non-government organisations.

Trees For Life, like many not for profit incorporated associations, considers DGR status to be essential for its survival.

Consultation Questions

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?*
2. *Are there likely to be DGRs (other than government entity DGRs) that could not meet this requirement and, if so, why?*
3. *Are there particular privacy concerns associated with this proposal for private ancillary funds and DGRs more broadly?*

Trees For Life has no specific comment to make on questions 1 – 3.

4. *Should the ACNC require additional information from all charities about their advocacy activities?*
5. *Is the Annual Information Statement the appropriate vehicle for collecting this information?*
6. *What is the best way to collect the information without imposing significant additional reporting burden?*

The introduction of the ACNC was seen as a positive move and in general terms appears to be working well. We welcome any move to clarify what may legitimately be classified as advocacy activity provided that such clarification is conducted in an open, transparent and non-ideological manner. We, like many other charitable entities, need to dedicate energy and resources to promoting and marketing our activities. Mindful of the importance, value and benefits of a healthy environment, it is difficult to draw a clear distinction between on-ground work and advocacy; both are important and keep each other relevant. Trees For Life continues to focus on practical on-ground environmental solutions and to provide leadership by example.

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?*

We support any moves that simplify administrative processes. However, we question the proposal to move the existing DGR registers to the ATO from their host departments where there is a level of knowledge and understanding of the charity's activities and objectives. Trees For Life, for example, has a long-standing relationship with the federal Department of Environment and consequently we understand each other's processes and challenges.

8. *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?*
9. *What are stakeholders' views on who should be reviewed in the first instance? What should be considered when determining this?*
10. *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?*

We understand that to receive DGR status carries responsibilities that must be taken seriously and reported on regularly and transparently. To that end we accept the need for a regular, rolling review program of DGR eligibility. However, as a small and administratively lean organisation, we would not welcome burdensome certification requirements on a 12 month basis. A 5 year period is a more acceptable timeframe for such a review.

Similarly, a renewal of status should be dealt with as cost and time effectively as possible, with the test of eligibility for renewal being considerably streamlined from that required for the original award of DGR status.

We do not see a need to draw a distinction between the requirements of each ‘category’ of DGR in this regard.

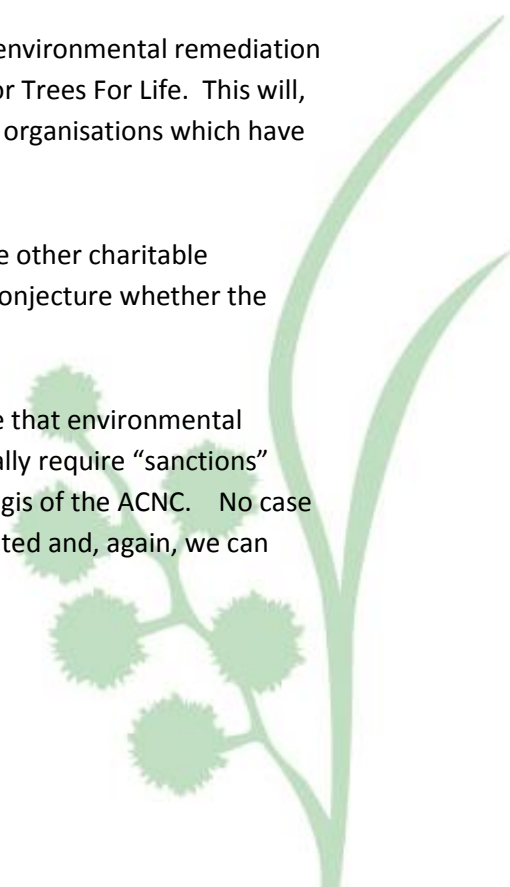
11. *Stakeholders’ views are sought on requiring environmental organisations to commit no less than 25 per cent of their annual expenditure from their public fund to environmental remediation, and whether a higher limit, such as 50 per cent, should be considered? In particular, what are the potential benefits and the potential regulatory burden? How could the proposal be implemented to minimise the regulatory burden?*
12. *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?*

It would appear that environmental organisations are being singled out for special attention which concerns us greatly. We understand that there is intent to implement the recommendations of the House of Representative’s review of the Register of Environmental Organisations (REO) which, as we recall, were contentious at the time and subject to a minority or dissenting report.

Requiring organisations to commit at least 25% of annual expenditure to environmental remediation (possibly increasing to 50%) does not constitute *per se* a major problem for Trees For Life. This will, however, certainly constitute an unreasonable challenge for many valued organisations which have a higher component of education and advocacy.

Since such requirements are not, as we understand, being extended to the other charitable categories (international development, social services, arts) we can only conjecture whether the underlying motive is ideological rather than administrative?

Similarly, the construction of Consultation Question 12 raises an inference that environmental charities in particular are currently operating unlawfully and may specifically require “sanctions” over and above those applicable to other charities operating under the aegis of the ACNC. No case has been made that such singling out of environmental charities is warranted and, again, we can only conjecture whether the underlying motive is ideological.



In closing, we would like to say that Trees For Life prides itself on its record both environmentally and as a good corporate citizen. To fund our activities we are increasingly reliant on the financial support of our members, major donors and supporters, with revenue being directly channelled into our programs which achieve declared and transparent outcomes.

We rely heavily on donations to fund our operations and there can be little doubt that if donors were unable to claim a tax deduction the number and value of donations would be significantly reduced. Such a reduction would seriously jeopardise Trees For Life as an organisation, the community we serve and the environment we help protect.

Our society depends upon a healthy environment and the proven correlation to mental and physical health benefits are several, with potentially positive impacts upon government budgets.

Thank you for your time.

Yours faithfully



Natasha Davis
Chief Executive Officer



David Mitchell AM
President

