



National Office
4 Champion Street
Deakin ACT 2600

T 02 6259 0431
F 02 6259 0462

E natoffice@acl.org.au
W acl.org.au

ABN 40 075 120 517

2 May, 2014

Senate Standing Committee on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

RE: Australian Charities and Not-for-profits Commission (Repeal) (No 1) Bill 2014

The Australian Christian Lobby (ACL) welcomes this opportunity to comment on the Australian Charities and Not-for-Profits Commission (Repeal) (No. 1) Bill 2014.

ACL has been engaged in the ongoing not-for-profit sector reform for the last several years, having made several submissions, including on in January 2013 to the *Not-for-Profit Sector Tax Concession Working Group*.¹

ACL supported the introduction of the ACNC in 2012,² and previously in 2011 in a submission to the Treasury's inquiry into a statutory definition of charity.³

In the submission to the NFP Working Group, ACL argued that the ACNC provided a definition of "basic religious charity" which was clear and would provide a fairer, simpler, more inform tax concession system.

The ACNC provides an independent regulator for charities and not-for-profits to deal with. The Australian Taxation Office meets its purpose through the raising of taxes, and so lacks independence. There is a potential conflict of interest with the ATO determining the charity status of organisations.

An independent regulator responsible for determining the status of not-for-profit organisations would provide confidence that decisions are made in the best interests of the not-for-profit sector, while ensuring fairness and transparency in the sector.

¹ Australian Christian Lobby (January 4, 2013), Submission to the Not-for-Profit Sector Tax Concession Working Group, <http://www.acl.org.au/wp-content/uploads/2013/03/130104-ACL-Submission-to-the-Not-for-Profit-Sector-Tax-Concession-Working-Group.pdf>.

² Australian Christian Lobby (August 24, 2012), 'Change to tax law could mean less money to world's poor', Media Release, <http://www.acl.org.au/2012/08/change-to-tax-law-could-mean-less-money-to-world%E2%80%99s-poor/>.

³ Australian Christian Lobby (December 9, 2011), Submission on the Definition of Charity, <http://www.acl.org.au/2011/12/acls-submission-on-the-definition-of-charity/>.

The ACNC would also provide a “one-stop” body for organisations to deal with, ideally reducing red tape and regulatory burden, as well as offering support to the sector.

ACL also notes that it has only been 15 months since the ACNC Act was passed. The ACNC should be allowed to run for at least a few more years to ascertain its effectiveness and evaluate the ACNC’s achievements.

Charities and not-for-profits make an invaluable contribution to society. They provide basic services to the neediest and most vulnerable members of society, relieving a considerable burden from government and from the tax payer. Any move which will create extra regulatory burden, greater uncertainty, or greater tax burden on the sector should be opposed. On the contrary, it is in the best interests of both government and of the broader Australian community to facilitate an efficient, independent, transparent regulatory system for the Not-for-Profit sector.

In summary, ACL supports the retention of the ACNC because:

- It is an independent regulator for the sector;
- It will reduce the regulatory burden on the sector;
- It has not had sufficient time in operation to establish its value to the sector.

ACL recommends that the ACNC not be repealed.

Yours sincerely,



Lyle Shelton
Managing Director
Australian Christian Lobby