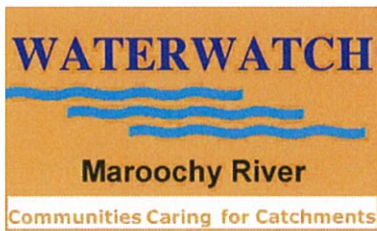


# MAROOCHY WATERWATCH INC.

Your Community Catchment Group



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NFP Sector Tax Concession Working Group Secretariat  
The Treasury  
Langton Crescent  
PARKS ACT 2600

11<sup>th</sup> December 2012

Dear Secretariat,

Maroochy Waterwatch Inc is pleased to make the following comments on the Not-For Profit Tax Concession Discussion Paper November 2012. Our organisation recently formalised our charitable institution and tax status with the Australian Taxation Office and is in a position to make some comments. Not all the consultation questions are relevant to our organisation and a selection of responses are listed below.

Q1 What criteria should be used to determine whether an entity is entitled to an income tax exemption?

Most smaller not-for profit community service organisations incorporated under state legislation are not necessarily aware that there is a formal process for income tax exemption status. They do not pay income tax as part of their annual audit processes yet they are not officially endorsed with the status.

Additionally, the criteria used to assess whether an organisation is established for community service purposes needs to be evidence based. Of concern is the speculation that some large organisations that generate significant profits do not necessarily use them for community service needs.

Q26 Should the threshold for deductible gifts be increased from \$2 to \$25 (or some other amount)?

Whilst we appreciate all donations, the expense in administering \$2 donations outweighs the financial benefit. Raising the threshold to \$25 is a realistic figure.

Q29 Also assuming that the current two tiered concession structure remains, what criteria should determine an entity's eligibility to provide rebateable benefits to its employees? Should this be restricted to charities? Should it be extended to all NFP entities? Are there any entities currently entitled to the concessions that should not be eligible?

Although Maroochy Waterwatch enjoys charitable institution status, the organisation cannot access rebateable benefits for employees because it is not a public benevolent institution under the current definition. This status should be restricted to charities, but it should be available to all charities as we are all working for the benefit of community needs, in our case, improving the environment.

If you require further information, please do not hesitate to contact me on 07 54764777.

Yours sincerely,



Cerran Fawns  
Chief Executive Officer