Life Activities Clubs Victoria Inc

Registered Incorporated Association: A0054351A ABN: 85 104 164 408

Submission re: Tax concessions for the not-for-profit sector

Who we are

Life Activities Clubs Victoria Inc. (LACVI) represents a network of incorporated Life Activities Clubs throughout Victoria that are run by volunteers on a non-profit basis.

Life Activity Clubs provide people in retirement or approaching retirement (typically aged 50 and over) with opportunities to enjoy a full, satisfying and connected community life and maintain lifelong wellbeing.

There are currently 24 Life Activities Clubs in Victoria (including 6 in regional centres) with each Club offering its members a wide range of recreational and social activities that provide physical, mental and social stimulation. The activities provided for the 4000 club members are determined by the interests of the members of each club.

Submission

As a preliminary comment, it is observed that a relatively large number of public consultations appear to be advertised with unusually short closing dates toward the end of each year when pressure on organisations to complete other work seems to escalate. This is one such example and as a result, our comments are necessarily brief. In our case, in the absence of administrative staff, all the work involved in responding to enquiries is done by individuals volunteering their time from all the other commitments they have, including delivering the services that are the main subject of this enquiry.

It is also noteworthy that answering all the questions requires a good deal of knowledge of tax law and practice, as well as experience in its application in the Not-For-Profit environment. As a relatively small organisation, we do not have this expertise, other than as it may have been collected by Board members in other roles, so some responses are necessarily somewhat subjective. We are a small (self-assessed) income tax exempt incorporated association that is not registered for GST and we have only one recently-employed part-time employee in respect of whom we do not believe we are liable for any FBT. Our responses with respect to related questions are therefore rather brief.

It is obvious that views differ widely across our membership and it is therefore not possible for any submission adequately to represent the breadth of opinion from such a diverse constituency. Having said that, the primary author of this submission works in a Not-For-Profit, has been involved in NFPs almost right through his life and has considerable experience analysing and interpreting his cohort's needs and aspirations. Other members of the Board who have endorsed this submission could claim comparable experience and expertise.

Against this background, the following comments are provided on the issues relevant to this Inquiry.

Précis

- Our main contention is that the existing distinction between 'Charities' and other Not-For-Profit organisations is at best anomalous. Having regard to current legal and social conditions, the Pemsel case categories are many decades out of date and should be expunged immediately. Some of our submissions to earlier consultations have also argued this contention.
- We argue that some current charities obtain concessions in entirely inappropriate circumstances and cannot be justified in the 21st Century. Equally, there are many thousands of small Not-For-Profit organisations that are far more deserving of assistance, in terms of both need and the contribution they make to society. Almost none of these organisations qualify for charitable status under current regulations and a substantial review of the criteria would produce a more equitable outcome, possibly even at a lower cost to the public purse.
- The distinction between charities and other Not-For-Profits that are contributing to the public good should be related to their activities, rather than to their ownership or legal structure. There are many ways that organisations contribute to community welfare in its broadest sense, at both the local level and nationally or even internationally, and some of the benefits delivered by organisations that are not currently regarded as charities are more important or more valuable than those of some statutory charities.
- Those Not-For-Profits should enjoy the same rights and privileges as other 'charities'. We do not enjoy GDR or PBI status, but we see no reason why our contribution to the community should be seen as less deserving than those of statutory charities.
- The new ACNC is a far more appropriate body to determine the criteria to be applied to organisations to determine eligibility for any concessions than the ATO that has (and will always have) a conflict of interest that is likely to disadvantage smaller organisations, even if they are delivering greater benefits.

To the extent that time has allowed, the following comments are provided with respect to the questions posed in the discussion paper.

CHAPTER 1 — INCOME TAX EXEMPTION AND REFUNDABLE FRANKING CREDITS

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

Our reading of Appendix C leaves us unsure whether this issue is out of scope, but there seems to be no logical reason for retaining the statutory exemptions to the 'charities' identified in the Pemsel case.

Apart from definitional issues (such as which sects might be deemed religious in nature, or by what level of economic convergence poverty might be defined), the existing inclusions seem altogether inappropriate.

Very few educational institutions could be considered to be charitable under any definition and extending special concessions to an already extremely wealthy

religious order is obviously counterintuitive unless that body can clearly establish that it uses its wealth to pursue charitable purposes – such as selling its excess property for the benefit of those in poverty. On the other hand, if some statutory inclusions are to be retained, it is just as illogical to exclude institutions whose objectives might be to research the causes and cures of disease, to improve mental health, to promote peace and freedom from oppression and a host of other objectives widely accepted across the community as more worthy of assistance than the existing statutory ones.

If that thesis is accepted, there are a great many organisations in the community that would be widely accepted across the community as contributing to the public good and worthy of increased support. Certainly, some of these organisations would enjoy the support of only limited sectors of the community, and others operate with diametrically opposed objectives to their competitors' – although both viewpoints might enjoy wide (albeit minority) acceptance in the community.

In light of this, it is argued that whatever definition might be applied to a charity, this should not be the criteria on which income tax exemption should be determined. The key issue would appear to be that the purposes (and actual activities) of the organisation should be beneficial to the community. Unless the organisation works for the benefit of the community, or a significant sector of it, it can hardly expect to receive public support. Moreover, a reasonable level of active pursuit of those purposes should be necessary. Obtaining benefits simply because a clause is included in the organisation's written purposes could be seen as fraudulent unless those benefits are actively applied to the furtherance of that clause.

Having a **dominant** public benefit objective is preferred over an exclusively 'charitable' purpose. Many organisations may conduct activities that are secondary to their main purpose. They may be quite inconsequential activities, but it would seem counterproductive to exclude an organisation simply because once a year or so it undertook a minor activity that might be interpreted in a narrow way as not directly supporting its otherwise exclusive purpose. The extension of this is that it should not be limited exclusively to activities that further or aid its dominant purpose. Participating in occasional minor incidental activities that are not inconsistent with its dominant purpose should not automatically exclude an organisation from being receiving a benefit to which it would otherwise be entitled. For example, Life Activities Clubs Victoria (a Not-For-Profit organisation) recently hosted a function consistent with its dominant purpose, but accidentally made a small surplus which it donated to a legislatively-defined charity, but one that did not actively pursue the same dominant purpose as us. Clearly, such a beneficial action should not exclude our organisation from being income tax exemption. Some level of reasonableness should be applied that allows incidental deviations from the dominant purpose from time to time.

In line with these comments, it seems that conferring on the ACNC the power to determine eligibility (at least prima facie eligibility) for exemption is desirable. By all means, continued eligibility could be reviewed from time to time, but this would appear to be better than the existing arrangements under which the ATO will no longer declare organisations exempt and where organisations have to self-assess their status and risk the consequences of having its most conscientious assessment overturned retrospectively some years later.

2. Are the current categories of income tax exempt entity appropriate? If not, what entities should cease to be exempt or what additional entities should be exempt?

This has largely been answered above. We do not consider statutory exemptions to be appropriate and have drawn attention specifically to situations where religious or educational entities would appear to be benefiting quite improperly under the existing regime.

Our preference would be to remove all statutory exclusions and have the ACNC apply a simple test of whether the organisation has as its dominant purpose the achievement or advancement of a public good such as could be expected to be supported by most Australians – and that the organisation was actually pursuing that purpose conscientiously and with vigour.

3. Should additional special conditions apply to income tax exemptions? For example, should the public benefit test be extended to entities other than charities, or should exemption for some types of NFP be subject to different conditions than at present?

Yes. Even those organisations that might be widely accepted as charities (whether statutorily-defined or not) may not do any more to benefit the public than organisations that are currently denied charitable status. For example, medical research directed towards solving major public health issues would be seen by many as more deserving of assistance than, say, a contemplative religious order that did little to benefit the community. Hundreds of similar examples could be educed. Clearly, there are far more entities that are not 'charities' than that are and the majority of Australians would probably agree that most of them were at least as deserving of support as the most professional charity.

Again, this argument militates strongly against the existing Pemsel-derived definition.

4. Does the tax system create particular impediments for large or complex NFPs?

As a very small Not-For-Profit, we probably feel unable to respond comprehensively to this question, but almost certainly the simple answer is yes. Even for the smallest Not-For-Profit, the requirement to self-assess eligibility is risk-prone and if they were required to lodge tax returns to demonstrate their status, the cost and complexity would probably sound the end for many thousands of small organisations delivering significant benefits to the community. We imagine the cost and complexity for a large Not-For-Profit would be multiplied accordingly.

5. Should other types of NFPs also be able to claim a refund of franking credits?

Again, such a situation would never apply to us so we cannot respond authoritatively to this, but our contention is that whatever rules are applied to charities should be applied equally to all the Not-For-Profits that are just as deserving, but currently not defined as charities simply because of the inappropriateness of current legislation.

6. Should the ability of tax exempt charities and DGRs to receive refunds for franking credits be limited?

We do not feel qualified to comment on this issue.

7. Should the ATO endorsement framework be extended to include NFP entities other than charities seeking tax exemption?

Yes. We strongly endorse this proposal to avoid the current situation where, with the best of intentions, a Not-For-Profit may invalidly self-assess itself as tax exempt, only to find itself facing a liability for taxation and/or penalties at some future time when the ATO finds reason to review its status. It is suggested that such status could be reviewed from time to time, perhaps every 5 years or so, to ensure that the entity continues to pursue its stated purposes with the degree of vigour that should be expected.

The role of determining the status of charities and/or Not-For-Profits should rest with the ACNC rather than the ATO due to perceived conflicts of interest on the part of the latter organisation. There is a grossly disproportionate balance of power between any organisation and the ATO and the cost and complexity of disputing any decision by it is far beyond all except (perhaps even) the largest Not-For-Profit – as well as a questionable use of resources on the part of a body trying to provide direct benefits to the community.

8. Should the income tax exemptions for State, Territory and local government bodies be simplified and consolidated into the ITAA 1997? Which entities should be included?

We do not feel we have much to say on this issue, but we recognise that government will be in a different situation from other Not-For-Profits – so our contention that eligibility for benefits should be left to the ACNC may not be as appropriate with respect to these bodies.

9. Should the threshold for income tax exemptions for taxable NFP clubs, associations and societies be increased? What would a suitable level be for an updated threshold?

Anything that reduces the compliance burden on NFPs (or any other entity) is worthy of consideration. Although we would not expect to become taxable, it seems anomalous to suggest that an organisation would dissect itself into numerous smaller organisations simply to avoid taxation – especially when benefits would accrue to larger entities with incomes above $915 – where the tax rate drops from 55% to 30%. (It must be said that these rates are simply absurd, especially to the extent that are counter-progressive.)

10. Please outline any other suggestions you have to improve the fairness, simplicity and effectiveness of the income tax exemption regime, having regard to the terms of reference.

We have little to add beyond the comments already made: that the existing Pemsel exemptions have no inherent logic and that there are many organisations far more deserving of assistance than those accessing it at present. The ATO is not the appropriate authority to determine eligibility for tax concessions and the range of eligible organisations should be greatly expanded – and we believe the cost of doing this would be minimal. Very few small Not-For-Profits would receive significant gifts that might attract a deduction so the budgetary impact of that would be minimal and most of the income tax exemptions already exist so that would have no impact at all. A case could be made, based on their contribution to the public good, that additional concessions could be extended to the Not-For-Profit sector because their impact would be so minor, particularly for smaller organisations where even a very small benefit could enhance their outcomes considerably.

CHAPTER 2 — DEDUCTIBLE GIFT RECIPIENTS

11. Should all charities be DGRs? Should some entities that are charities (for example, those for the advancement of religion, charitable child care services, and primary and secondary education) be excluded?

A threshold issue relates to the value of DGR status for smaller organisations. In general, large organisations are likely to benefit much more than smaller ones from this status because smaller ones are unlikely to have the profile to attract frequent or substantial gifts. Our answers need to be considered against this background because we are a relatively small organisation, unlikely to benefit significantly whether we have DGR status or not. Having said that, there seems to be no logic in excluding small recipients who would have minimal impact on the budget as compared with larger organisations. Equally, there seems no more logic in excluding particular types of organisations, e.g., those focussed on the welfare of older people as opposed to children.

This question cannot be answered without some discussion of 'what is a charity?' As argued above, some existing 'charities' appear to have no inherent justification, whereas many existing non-charities have much stronger claims to a tax benefit than some existing beneficiaries. Our preference is to remove the decision-making power from the ATO, probably in favour of the ACNC, and confer DGR status on a far wider range of organisations contributing to the public good. We have contributed to a variety of other consultations about the inappropriateness of the existing exclusions (and inclusions) and it is noted that even a broad expansion of the definition is unlikely to have any major budgetary impact, simply because the vast number of small organisations that might be accorded this status are still unlikely to attract gifts large enough or frequently enough to become significant in aggregate.

12. Based on your response to Q11, should charities endorsed as DGRs be allowed to use DGRs funds to provide religious services, charitable child care services, and primary and secondary education?

Again, this goes to the heart of the definition of a charity. In broad terms, our response would be a strident yes! but the range of eligible services should be substantially expanded, e.g., if charitable child care services are eligible, what would be the logic of excluding charitable aged care services – or a range of other services that contribute strongly to community values or the common good? On the other hand, the appropriateness of including religious services (for example) could be challenged on the grounds that they may be discriminatory, that they may not contribute to the common good (or even be consistent with community values), or for other reasons.

13. Would DGR endorsement at the entity level with restrictions based on activity address the behavioural distortions in Australia's DGR framework? Could unintended consequences follow from this approach?

We argue that endorsement ***should*** be at the entity level and provided the ACNC applies consistent policies that are relatively more generous that the existing restriction, we can see no downside (other than the additional workload involved in endorsing and monitoring eligible organisations). In this regard, it might be noted that we believe that endorsement of all benefits/exemptions (including Income Tax Exemption) is already justified.

14. If DGR status is extended to all endorsed charities, should this reform be implemented in stages (for example, over a period of years) in line with the PC's recommendations, or should it be implemented in some other way?

We have little to say on this issue, but as indicated above, we consider the impact is unlikely to be substantial so immediate implementation may well be justified.

15. Would a fixed tax offset deliver fairer outcomes? Would a fixed tax offset be more complex than the current system? Would a fixed tax offset be as effective as the current system in terms of recognising giving?

Given that the majority of our members are likely to be on fixed incomes, mainly low taxable incomes at that, fixed tax offsets are likely to give them the greatest benefit and encourage them to donate more. As a general rule, we agree that regressive tax regimes should be eschewed.

16. Would having a two-tiered tax offset encourage giving by higher income earners?

Irrespective of the encouragement such an arrangement might provide to high income earners, there appears to be no justification for extending further benefits to those who are already most able to contribute. Moreover, we can see no reasons to justify PAFs being treated on a more favourable basis than any other DGR.

17. What other strategies would encourage giving to DGRs, especially by high income earners?

We have no particular suggestions to make on this question.

18. Should testamentary giving be encouraged through tax concessions and what mechanisms could be considered to address simplicity, integrity and effectiveness issues?

We have no particular suggestions to make on this question.

19. Would a clearing house linked to the ACN Register be beneficial for the sector and public?

In principle, this sounds attractive, especially for small organisations. We have a concern about the level of technical expertise that may be required from organisations such as ours to establish our presence on the site. We also have concerns about the timing of such a proposal. Given that the inclusion by the ACNC of small organisations such as ours is currently scheduled for some years in the future, it seems that larger, publicly supported organisations would stand to achieve the benefits from such a clearing house years (maybe decades) before those who could conceivably be most in need of those benefits.

20. Are there any barriers which could prohibit the wider adoption of workplace giving programs in Australia? Is there anything the Working Group could recommend to help increase workplace giving in Australia?

We have no particular suggestions to make on this question. It seems unlikely ever to be relevant to our organisation.

21. Do valuation requirements and costs restrict the donation of property? What could be done to improve the requirements?

We do not regard ourselves qualified to contribute to this question.

22. Is there a need to review and simplify the integrity rules?

We do not regard ourselves qualified to contribute to this question. It is also unlikely to be relevant to our organisation.

23. Are there additional barriers relevant to increasing charitable giving by corporations and corporate foundations? Is there anything the Working Group could recommend to help increase charitable giving by corporations and corporate foundations?

We do not regard ourselves qualified to contribute to this question. It is also unlikely to be relevant to our organisation.

24. Are the public fund requirements, currently administered by the ATO, either inadequate or unnecessarily onerous?

We do not regard ourselves qualified to contribute to this question. It is also unlikely to be relevant to our organisation.

25. Are there any possible unintended consequences from eliminating the public fund requirements for entities that have been registered by the ACNC?

Nothing comes readily to mind, but we do not regard ourselves qualified to contribute to this question. As a principle, however, we strongly agree that donations given for a specific purpose should be expended for that purpose: if that is inconsistent with the objectives of the recipient organisation, or impractical to apply, the donations should be declined or returned to the donor.

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

Yes. Although this would almost certainly result in a minor reduction in giving, a $2 donation is quite insignificant in today's economy. This is half a cup of coffee for most people and apart from the administrative inconvenience of issuing receipts and accounting for the cash, small donations such as this are probably rarely claimed in any case.

27. Outline any other suggestions you have to improve the fairness, simplicity and effectiveness of the DGR regime, having regard to the terms of reference.

We have no strong suggestions to make on this question, but make the following observations on the proposals offered.

> 2.1 – Subject to our contention that the term 'charity' is defined in far too narrow terms, we support this. We argue that our organisation is at least as deserving others that enjoy DGR status.
>
> 2.2 – Notwithstanding the comment above, if restrictions are imposed, we probably support the exclusions nominated. They appear to have no stronger claim to benefits than many small Not-For-Profits. This does not, of course, suggest that those still included are any more deserving than many already excluded: a significant change in definition based on contribution to the public good is overdue.
>
> 2.3 – generally supported, subject to the ACNC being the body to determine eligibility criteria and monitor/enforce compliance.

2.4 – Supported.

2.5 – Not supported.

2.6 – No comment.

2.7 – Subject to the potential concerns described above, we support this in principle.

2.8 – No comment.

2.9 – No comment.

2.10 – No comment.

CHAPTER 3 — FRINGE BENEFITS TAX CONCESSIONS

28. Assuming that the current two-tiered concessions structure remains (see Part B), what criteria should determine an entity's eligibility to provide exempt benefits to its employees?

We are not aware of any benefits enjoyed by our only part-time employee that would give rise to an FBT liability so given the time available, we have not responded to questions in this chapter.

29. Also assuming that the current two-tiered concessions structure remains (see Part B), 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?

Given the time allowed for responses, we have not addressed this issue.

30. Should there be a two-tiered approach in relation to eligibility? For example, should all tax exempt entities be eligible for the rebate, but a more limited group be eligible for the exemption?

Given the time allowed for responses, we have not addressed this issue.

31. Should salary sacrificed meal entertainment and entertainment facility leasing benefits be brought within the existing caps on FBT concessions?

Given the time allowed for responses, we have not addressed this issue.

32. Should the caps for FBT concessions be increased if meal entertainment and entertainment facility leasing benefits are brought within the caps? Should there be a separate cap for meal entertainment and entertainment facility leasing benefits? If so, what would be an appropriate amount for such a cap?

Given the time allowed for responses, we have not addressed this issue.

33. Are there any types of meal entertainment or entertainment facility leasing benefits that should remain exempt/rebateable if these items are otherwise subject to the relevant caps?

Given the time allowed for responses, we have not addressed this issue.

34. Should there be a requirement on eligible employers to deny FBT concessions to employees that have claimed a concession from another employer? Would this impose an unacceptable compliance burden on those employers? Are there other ways of restricting access to multiple caps?

Given the time allowed for responses, we have not addressed this issue.

35. Should the rate for FBT rebates be re-aligned with the FBT tax rate? Is there any reason for not aligning the rates?

Given the time allowed for responses, we have not addressed this issue.

36. Should the limitation on tax exempt bodies in the minor benefits exemption be removed? Is there any reason why the limitation should not be removed?

Given the time allowed for responses, we have not addressed this issue.

37. Is the provision of FBT concessions to current eligible entities appropriate? Should the concessions be available to more NFP entities?

Given the time allowed for responses, we have not addressed this issue.

38. Should FBT concessions (that is, the exemption and rebate) be phased out?

Given the time allowed for responses, we have not addressed this issue.

39. Should FBT concessions be replaced with direct support for entities that benefit from the application of these concessions?

Given the time allowed for responses, we have not addressed this issue.

40. Should FBT concessions be replaced with tax based support for entities that are eligible for example, by refundable tax offsets to employers; a direct tax offset to the employees or a tax free allowance for employees?

Given the time allowed for responses, we have not addressed this issue.

41. Should FBT concessions be limited to non-remuneration benefits?

Given the time allowed for responses, we have not addressed this issue.

42. If FBT concessions are to be phased out or if concessions were to be limited to non-remuneration benefits, which entity types should be eligible to receive support to replace these concessions?

Given the time allowed for responses, we have not addressed this issue.

CHAPTER 4 — GOODS AND SERVICES TAX CONCESSIONS

43. Does the existing fundraising concession create uncertainty, or additional compliance burdens, for NFP entities that wish to engage in fundraising activities that fall outside of the scope of the concession?

We are currently well below the threshold for compulsory registration for GST so, given the short response time required, we have not addressed questions in this chapter.

44. Would a principles-based definition of the types of fundraising activities that are input-taxed reduce the compliance burden for entities that engage in fundraising?

Given the time allowed for responses, we have not addressed this issue.

45. Should current GST concessions continue to apply for eligible NFP entities?

Given the time allowed for responses, we have not addressed this issue.

46. Are there any other issues or concerns with the operation of the GST concessions in their current form?

Given the time allowed for responses, we have not addressed this issue.

47. Would an opt-in arrangement result in a reduced compliance burden for charities that would otherwise need to apply apportionment rules to supplies made for nominal consideration?

Given the time allowed for responses, we have not addressed this issue.

48. If an opt-in arrangement is favoured, would the preference be to treat the supplies as taxable or input taxed? Why?

Given the time allowed for responses, we have not addressed this issue.

49. Is there an alternative way of reducing the compliance burden associated with apportionment for supplies made for nominal consideration?

Given the time allowed for responses, we have not addressed this issue.

CHAPTER 5 — MUTUALITY, CLUBS AND SOCIETIES

50. Should the gaming, catering, entertainment and hospitality activities of NFP clubs and societies be subject to a concessional rate of tax, for income greater than a relatively high threshold, instead of being exempt?

It is accepted that there is a loss of equity where a large Club is given a significant tax advantage vis-à-vis the privately-owned hotel next door to which the concession does not apply. On the other hand, most Clubs and other small non-profit organisations conduct fund-raising activities for the benefit of their objectives and it would seem quite unfair to deny them such a small concession. The concept of a partial exemption therefore appears to be appropriate, perhaps based on a threshold calculated as a proportion of gross income, rather than a fixed sum.

It is noted that our predecessor body that was registered for GST was advised that as a general rule, all income, including all member subscriptions, was subject to GST and all related expenditure attracted an input credit. It would appear that if that advice was correct, the principle of mutuality is not being applied consistently. Equally, with respect to residential Owners' Corporations (Bodies Corporate in some jurisdictions), all income and expenditure seems to be included in the assessment of income tax, again indicating a somewhat arbitrary application of the principle.

51. What would be a suitable threshold and rate of tax if such activities were to be subject to tax?

Our preference would be for the threshold to be a proportion of total income, perhaps in the order of 25 or 30% - but our expertise in making a judgment about this is limited.

52. Should the mutuality principle be extended to all NFP member-based organisations?

Yes. Our primary contention is relevant here. The distinctions applied to various types of Not-For-Profits are not valid and the ACNC is a more appropriate body to determine the criteria and the status of organisations with respect to taxation (and probably other) concessions.

53. Should the mutuality principle be legislated to provide that all income from dealings between entities and their members is assessable?

No! This would appear to deny the principle entirely and would create a huge burden for an enormous number of organisations whose income is derived largely or exclusively from member subscriptions. In essence, all Not-For-Profits would become fully liable for taxation and place them on an identical basis with profit-generating commercial enterprises. Limiting deductions to non-mutual type income would appear to be more appropriate.

54. Should a balancing adjustment be allowed for mutual clubs and societies to allow for mutual gains or mutual losses?

Yes. Although the detailed operation of such an adjustment is unclear, in principle, it is consistent with other areas of tax law and sounds appropriate.

55. Is existing law adequate to address concerns about exploitation of the mutuality principle for tax evasion? Should a specific anti-avoidance rule be introduced to allow more effective action to be taken to address such concerns?

We do not feel competent to comment on this issue.

CHAPTER 6 — NEXT STEPS

56. Are there any areas in which greater streamlining of concessions could be achieved?

We do not feel competent to comment on this issue.

57. Do you have any ideas for reform of NFP sector tax concessions within the terms of reference that have not been considered in this discussion paper?

We do not feel competent to comment on this issue.