

2<sup>nd</sup> May 2013

Mr Chris Leggett  
Manager  
Philanthropy and Exemptions Unit  
Indirect Philanthropy and Resource Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

By email: [charities@treasury.gov.au](mailto:charities@treasury.gov.au)

Dear Mr Leggett,

**Re: Response to the Exposure Drafts of the Charities Bill 2013 and Charities  
(Consequential Amendments and Transitional Provisions) Bill 2013**

On behalf of the Churches of Christ in Queensland (CofCQ) I am pleased to present our submission (attached) to Treasury in relation to the above matter.

CofCQ would always welcome any opportunity to be further involved in any consultative processes. Therefore, if we can be of any further assistance, then please do not hesitate to contact myself directly.

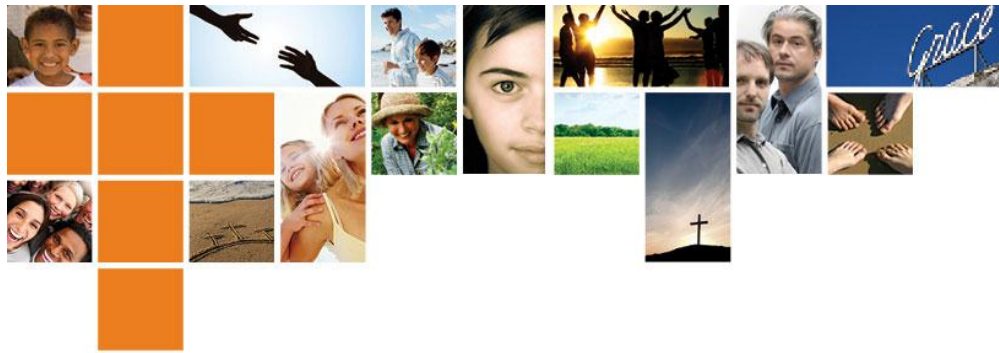
Yours Sincerely,

Steve Slade  
*Director - Secretariat  
Churches of Christ in Queensland*

**Secretariat**

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## **Response to the Exposure Drafts of the Charities Bill 2013 and Charities (Consequential Amendments and Transitional Provisions) Bill 2013**

*Authorised By:*

*Steve Slade  
Director – Secretariat  
Churches of Christ in Queensland*

*2<sup>nd</sup> May 2013*

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### **Executive Summary**

Churches of Christ in Queensland (CofCQ) welcomes the opportunity provided by the Commonwealth Government to the not-for-profit sector to review and comment on a suite of proposed legislative and taxation changes impacting on charities across Australia.

CofCQ is generally in support of the proposed legal definition of charity and charitable purpose(s) as outlined in the Exposure-Draft of Charities Bill 2013. We believe that having a legal definition of charity that is applied and observed across all levels of government and industry will facilitate consistent and fair governance and taxation rulings for charitable organisations.

CofCQ makes four specific recommendations in the document following.

### **About CofCQ**

CofCQ is a group of mainstream Christian churches and associated entities that have been an integral part of the Queensland community for over 125 years. With over 210 physical sites, 3100 staff and significant presences in residential and community aged care, retirement living, social and affordable housing, fostering, childcare services, theological education, community support and faith communities (local churches) we are one of the largest not-for-profit entities in Australia.

As the largest employer/ one of the largest employers in many regional and rural centres we are particularly cognisant of our responsibility to reflect and represent the issues of community and concern that our stakeholders from all across the spectrum of Australian society reflect.

### **Response to the Exposure Drafts of the Charities Bill 2013 and Charities (Consequential Amendments and Transitional Provisions) Bill 2013**

CofCQ supports the proposed legal definition of charity and charitable purpose(s) as outlined in the Exposure-Draft of Charities Bill 2013, as this will provide greater clarity and certainty for charities. We believe that this will assist the public and regulators in determining whether an entity is charitable in its purpose, thereby reducing compliance costs and the need for costly and/or lengthy litigation, particularly in regard to taxation rulings.



We also commend the proposed description of 'purposes for the public benefit' which will help inform the review of ongoing eligibility of organisations to be registered as charities.

As a faith-based organisation with a mandate for spiritual engagement and community empowerment, we applaud the presumption that the following purposes are for public benefit, and not just presumed as beneficial:

- the purposes of relieving the needs of the aged; and
- the purpose of advancing religion.

Furthermore, we applaud the extension of the common law meaning of 'charitable purposes' to include child care services and the provision of protection for young people.

## Recommendations

CofCQ recommends the following:

1. That the Australian Charities and Not-For-Profit Commission (ACNC), as the Commonwealth Government arm overseeing charities across Australia, ensure that the proposed definition of charity and charitable purpose be administered and applied across State and Territory jurisdictions by virtue of Commonwealth legislation;
2. That the proposed definition of charity and charitable purpose be adopted by the Australian Taxation Office, particularly in their interpretation and application of taxation law for charities;
3. That the ACNC, the Australian courts and Commonwealth Parliament work in partnership with the not-for-profit sector in making any amendments to the definition of charitable purposes in the future, and in continually assessing additional categories of charitable purposes as outlined in the Charities Bill 2013; and
4. That the ACNC take the lead role and work in partnership with the not-for-profit sector in developing a clear process for the 'public benefit test', as well as in implementing same.