



# DIPLOMACY TRAINING PROGRAM

AFFILIATED WITH THE FACULTY OF LAW AT THE UNIVERSITY OF NEW SOUTH  
WALES  
A training program for peoples of the Asia-Pacific region

14 July 2017

Senior Advisor  
Individuals and Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

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

Dear Sir/Madam,

## **Tax Deductible Gift Recipient (DGR) Reform Discussion Paper: Comments of the Diplomacy Training Program (DTP)**

The Diplomacy Training Program Ltd is pleased to respond to your invitation to comment as follows on the Australian Government's Tax Deductible Gift Recipient Reform Discussion Paper dated 15 June 2017.

### Introduction: DTP

Founded in 1989, the Diplomacy Training Program is an independent, non-government organisation that provides education in human rights advocacy to individual human rights defenders and community advocates in the Asia-Pacific region and Indigenous Australia.

DTP is solely an educational institution, affiliated with the University of New South Wales through the Faculty of Law, and is a member of the Australian Council for International Development. DTP is a specifically-listed DGR.

### Discussion Paper

DTP accepts and promotes the need for transparency and accountability in DGRs.

One of the stated aims of the Discussion Paper is to "consider whether the [DGR] system is as simple and transparent as it could be"<sup>1</sup>. In principle, DTP supports measures to simplify the DGR system.

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<sup>1</sup> Para 9, p.2 Discussion Paper.

The Discussion Paper's proposal<sup>2</sup> that organisations like DTP should be required to re-apply for endorsement as a specifically listed DGR at least every 5 years is strongly opposed.

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The proposal appears to be inconsistent with the stated aim of simplifying the DGR system, particularly when combined with the Discussion Paper's focus on assessment of *activities over purposes*. Beyond the significant administrative burden that such a proposal would likely entail, the attendant uncertainty surrounding ongoing DGR status is likely to impact substantially on DTP's program planning, which runs to a multi-year cycle, as well as its ability to raise funds on the basis of its DGR status.

The rationale for the proposal appears to be the Government's desire for greater scrutiny of the activities of specifically listed DGRs. This objective may be achieved in many ways, without exposing the specifically listed DGRs to the uncertainty, effort and expense involved in periodic full reapplications for DGR status.

The suggestion that organisations like DTP enjoy DGR status in perpetuity with minimal governance standards<sup>3</sup> is rejected as without foundation or evidence. DTP is proud of its work, and is more than happy to communicate its achievements to all concerned through its annual reports and other avenues. DTP's ongoing funding is indeed a function of its effectiveness in achieving its objectives. We would be pleased to elaborate further on this issue at your invitation.

More generally, the Discussion Paper reveals a particular and incomplete outlook towards organisations that hold DGR status. Refer especially to paragraph 20. Whilst it may be true that the "Government provides a substantial financial contribution to NFP entities" through "generous tax concessions", the Discussion Paper makes little if any acknowledgment of the contributions made to Australian society by NFP entities, and the extent to which NFP entities relieve the burden of Government.

The Government is respectfully urged to take a more evidence-based and balanced approach to its review of DGR reform.

Yours sincerely,



Emeritus Professor Paul Redmond AM  
Chair, Board of Directors  
Diplomacy Training Program Ltd

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<sup>2</sup> Issue 6, p.11 Discussion Paper.

<sup>3</sup> Refer to para 20, Discussion Paper.