



**HSING YUN**  
EDUCATION FOUNDATION  
星雲大師教育基金會

2<sup>nd</sup> August 2017  
Senior Adviser  
Individual and Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

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

Dear Sirs

**SUBMISSION IN RESPONSE TO 'TAX DEDUCTIBLE GIFT RECIPIENT REFORM OPPORTUNITIES' DISCUSSION PAPER**

Thank you for the opportunity to make a submission in response to the discussion paper on Tax Deductible Gift Recipient Reform Opportunities released on 15 June 2017.

**About the Hsing Yun Education Foundation**

The Hsing Yun Education Foundation (the **Foundation**) is a new charity in Australia. The Foundation was established in 2016 as a company limited by guarantee to advance:

- the religion of Buddhism by equipping people with an understanding of the knowledge, culture and ethics of Humanistic Buddhism;
- education by:
  - supporting and facilitating the teaching of courses and curricula informed by Buddhist wisdom and values; and
  - providing financial support to current and potential students;
- community and social welfare by contributing to the furtherance and integration of knowledge, culture and ethical understanding for the benefit of humanity; and
- culture by facilitating the exchange of culture and arts between Australia's diverse communities, cultures and religions.

The Foundation has also established a public ancillary fund, the Hsing Yun Public Fund, the objective being to build a large corpus that will produce enough income to provide substantial financial support to further the charitable purposes of the Foundation and the Fund each year. The Foundation is the trustee of the Hsing Yun Public Fund.

Venerable Master Hsing Yun, founder of the HsingYunEducationFoundation is also the founder of the following entities, which are also endorsed as DGR:

	<b>Name</b>	<b>State</b>	<b>ABN</b>
1	Hsing Yun Public Fund	NSW	69934081675
2	International Buddhist Association of Australia College Building Fund	NSW	16088247782
3	Nan Tien Temple - The Public Buddhist Museum Trust Fund	NSW	15661508829
4	Nan Tien Temple - The Public Buddhist Library Trust Fund	NSW	87770455811
5	Nan Tien Institute Limited	NSW	80139338819
6	Nan Tien Institute Art Gallery Fund	NSW	80139338819
7	Nan Tien Institute Scholarship Fund	NSW	80139338819
8	Nan Tien Institute Library Fund	NSW	80139338819
9	International Buddhist Association of Queensland Building and School Fund	QLD	42307601105
10	International Buddhist Association of Western Australia INC	WA	13638571138

For clarity, the Foundation is not endorsed as a Deductible Gift Recipient(**DGR**). The Hsing Yun Public Fund is endorsed as a DGR.

### **Consultation Questions**

In general, the Foundation is supportive and welcomes Treasury's approach and review of the current DGR framework. The Foundation recognises an effective and robust DGR framework will facilitate community and corporate giving and enable meaningful relationships between donors and charities. The Foundation is excited to have recently established a vehicle through the Hsing Yun Public Fund to help facilitate philanthropic giving in Australia. The Foundation will draw upon its recent experience in establishing the Hsing Yun Public Fund and its relationship with other affiliated charities (attachment 1) to answer the consultation questions.

**1. What are stakeholders' views on a requirement for a DGR (other than government entity DGR) to be a registered charity in order for it to be eligible for DGR status. What issues could arise?**

The Foundation is generally in favour of this proposal. The Foundation's view is that registration as a charity and DGR should be aligned and kept as simple as possible. The Foundation found the application process for DGR for the Hsing Yun Public Fund administratively complex.

**2. Are there likely to be DGRs (other than government entity DGRs) that could not meet this requirement and, if so, why?**

Of the charitable organisations that the Foundation has an affiliation with, the Foundation is not aware of any DGRs that could not meet this requirement.

**3. Are there particular privacy concerns associated with this proposal for private ancillary funds and DGRs more broadly?**

The Foundation is not affiliated with a private ancillary fund and is therefore not in a position to provide comment on this question.

**4. Should the ACNC require additional information from all registered charities about their advocacy activities?**

The Foundation is not involved in any advocacy activities and is therefore not in a position to provide comment on this question.

**5. Is the Annual Information Statement the appropriate vehicle for collecting this information?**

The Foundation's view is that the Annual Information Statement is the appropriate vehicle to collect all information from charities, including, advocacy information if Treasury resolves to impose the above additional reporting requirement. The Foundation's view is that, wherever possible, the ACNC should be the one-stop-shop for collection of all information for reporting purposes for charities.

**6. What is the best way to collect the information without imposing significant additional reporting burden?**

The Foundation's view is that the information should be collected as part of the Annual Information Statement.

**7. What are stakeholders' views on the proposal to transfer the administration of the four DGR Registers to the ATO? Are there any specific issues that need consideration?**

The Foundation is supportive of simplifying the administration of DGR. Rather than transferring this function to the ATO, the Foundation respectfully suggests that the oversight of charity registration and DGR endorsement form part of the collective responsibility of the ACNC. The Foundation found the separate review of charity registration and DGR endorsement confusing. This suggestion also supports the ACNC's position as the one-stop-shop regulator for the charity, the objective of the ACNC when it was first introduced to the Australian charity landscape.

**8. What are stakeholders' views on the proposal to remove the public fund requirements for charities and allow organisations to be endorsed in multiple DGR categories? Are regulatory compliance savings likely to arise for charities who are also DGRs?**

The Foundation is supportive of this proposal. The Foundation is interested to further understand how this would apply for charities like the Foundation which has charitable objectives that are broader than what is permitted to be endorsed as a DGR.

**9. What are stakeholders' views on the introduction of a formal rolling review program and the proposals to require DGRs to make annual certifications? Are there other approaches that could be considered?**

The Foundation is supportive of a self-assessment annual certification. The Foundation understands that with becoming a registered charity and DGR comes with it important responsibilities to its stakeholders and the Australian society at large and that there should be some form of annual review that is conducted to assure public trust and confidence in charities and DGRs. The Foundation also believes that often the pace of the work of charities is such that pausing throughout the year to reflect on its activities and corporate governance and legal framework is important to the long-term objectives and sustainability of charities.

The Foundation respectfully recommends that a template be developed for use by charities' self-assessment, noting the current DGR self-assessment review provided by the ATO is out-dated.

**10. What are stakeholders' views on who should be reviewed in the first instance? What should be considered when determining this?**

The Foundation believes the reviews should be conducted on a self-assessment basis.

**11. What are stakeholders' views on the idea of having a general sunset rule of no more than five years for specifically listed DGRs? What about existing listings, should they be reviewed at least once every, say, five years to ensure they continue to meet the 'exceptional circumstances' policy requirement for listing?**

The Foundation is not in a position to provide comment on this subject area. However, if all charities and DGRs are required to conduct self-assessment and make appropriate certifications on an annual basis, the Foundation does not see a need to place a sunset rule on listed DGRs.

**12. Stakeholders' views are sought on requiring environmental organisations to commit no less than 25 per cent of their annual expenditure from their public fund to environmental remediation, and whether a higher limit, such as 50 per cent, should be considered? In particular, what are the potential benefits and the potential regulatory burden? How could the proposal be implemented to minimise the regulatory burden?**

The Foundation is not in a position to provide comment on these questions.

**13. Stakeholders' views are sought on the need for sanctions. Would the proposal to require DGRs to be ACNC registered charities and therefore subject to ACNC's governance standards and supervision ensure that environmental DGRs are operating lawfully?**

The Foundation is not in a position to provide comment on this question.

Thank you for the opportunity to provide our comments. The Foundation would be pleased to provide any further comments and welcomes further opportunities to be engaged on this proposal.

We look forward to the next stage of this reform.

If you have any questions please feel free to contact Venerable Juefang, General Manager of the Foundation at 0402961252 or juefang@hsingyunef.org.au.

Yours faithfully



Venerable Manko ( Foo Cheh NG)  
Chair  
Hsing Yun Education Foundation

**Attachment 1**

	<b>Name</b>	<b>State</b>	<b>ABN</b>
1	Hsing Yun Public Fund	NSW	69934081675
2	International Buddhist Association of Australia College Building Fund	NSW	16088247782
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