

Manager

Philanthropy and Exemptions Unit

Personal and Retirement Income Division

The Treasury

Langton Crescent

PARKES ACT 2600

By email: NFPreform@treasury.gov.au

Dear Madam / Sir

Exposure Draft – Australian Charities and Not-for profits Commission Bill

I refer to the public consultation on the Exposure Draft – Australian Charities and Not-for profits Commission Bill announced on 9 December 2011 by The Hon Bill Shorten MP, the then Assistant Treasurer and Minister for Financial Services and Superannuation, concerning legislation to establish the Australian Charities and Not-for-profits Commission (ACNC).

Netball Australia welcomed the series of Factsheets which provided additional information relating to the ACNC exposure draft; and the ACNC's important educative role.

As Australia's leading female sport, netball strives to deliver fair, safe, inclusive, respectful and supportive environments for all Australians. We believe that netball offers the enjoyment of participation, a sense of belonging and life-long involvement – no matter whether that's as a player, coach, official, administrator, volunteer or fan.

Netball Australia and the State Netball Associations are committed to leading social change, strengthening and building capacity and capability in communities, and providing innovative and sustainable netball programs to empower women and girls.

Netball is ranked as the leading women's participation team sport and the top team based sport in Australia for 15 to 24 year olds. Over 1.2 million participants enjoy the game nationally and Australia has been dominant on the international stage since 1963. Netball Australia has more than 330,000 registered members; 5,000 clubs nationally; 570 Associations; and eight member organisations.

Netball Australia as a company limited by guarantee has concluded that under the exposure draft of the legislation there will be minimal change in regard to reporting requirements upon registration with the ACNC.

Netball Australia notes that from 1 July 2013 the ACNC will take over from the Australian Securities and Information Commission (ASIC) administration of the reporting arrangements of not-for-profits (NFP) established as companies limited by guarantee. However, the ACNC Exposure Draft Transition Issues factsheet (9 December 2011) outlines that the ACNC's scope will expand to cover other NFP entities (first tranche of reforms focus on the charitable sector) over time. Those timeframes are still to be determined, but are not expected to start before 1 July 2014.

Accordingly, on first reading it appears that there will be an increased time commitment and costs for NFP's to align with the ACNC's timing, powers and expectations. Care should be taken to ensure there are no increased regulatory burdens, duplication and red tape during the transitional period and in the long term.

Netball Australia also notes that the Australian Taxation Office (ATO) will continue to administer federal tax concessions but will accept the ACNC's determination of an entity's charitable status where that status is a condition of accessing such concessions. However, the ATO will continue to determine whether any additional conditions in the tax law are satisfied.

A key ACNC and ATO relationship consideration going forward is the ATO's deductible gift recipients (DGRs) status, given many companies and foundations require "Notices of Endorsement from the ATO as a DGR and as a Tax Concession Charity" as an application precursor – currently the DGR process is prohibitive for many NFP national sporting organisations have health, education and welfare rights in their implied in their objects.

It is also interesting to note that the DGR Sport and Recreation category appears to be limited to scouts and guides.

Further in terms of the sport sector, Netball Australia presumes that the Australian Sports Foundation (ASF) eligibility, application, supporting documents and reporting requirements should align with and complement the ACNC, especially given the statement that "the ACNC is a one-stop-shop", excluding regulatory functions of other government agencies and the ATO.

Netball Australia notes that the Bill is not complete and the government is consulting on a number of issues in parallel.

If you require further information, please contact me on phone (03) 8621 8629, mobile 0417 623 288, or email nadine.cohen@netball.asn.au.

Yours sincerely



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