

s 22

From: s 22
Sent: Wednesday, 15 July 2020 16:39
To: Thompson, Hector
Cc: s 22 Rowbotham, Jacky; s 22
Subject: RE: Budget revenue submission - meeting [SEC=PROTECTED, CAVEAT=SH.CABINET]

Hi Hector,

Additional information as discussed earlier on specific listings.

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China Matters

The Government agreed and announced that China Matters be specifically listed in the 2019-20 Budget (commencing from 1 July 2019). Legislation has not passed to give effect to this decision.
The ATO have advised that reversing a decision on a previously announced specific listing is likely to have minimal impact. Their advice is that it is very unusual for an individual to claim a deduction for a specifically listed organisation prior to the legislation passing.

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Let me know if you need anything further.

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From: s 22
Sent: Wednesday, 15 July 2020 1:51 PM
To: Thompson, Hector ; s 22
Cc: s 47E(d)
Subject: RE: Budget revenue submission - meeting [SEC=PROTECTED, CAVEAT=SH.CABINET]

~~PROTECTED//CABINET~~

Hi Hector,

As requested, please find attached IITD's proposals for the Revenue Submission.

Please let me know if you need anything further,

S

~~PROTECTED//CABINET~~

From: Thompson, Hector <Hector.Thompson@TREASURY.GOV.AU>

Sent: Wednesday, 15 July 2020 1:16 PM

To: s 22 <s 22@TREASURY.GOV.AU>; s 22 <s 22@TREASURY.GOV.AU>

Cc: s 47E(d) <[s 47E\(d\)@TREASURY.GOV.AU](mailto:s 47E(d)@TREASURY.GOV.AU)>

Subject: FW: Budget revenue submission - meeting [~~SEC-PROTECTED, CAVEAT SH: CABINET~~]

~~PROTECTED//CABINET~~

Hi s 22

Can I get a list of any items that we are proposing to include in the Revenue Submission ahead of this meeting. s 2

Regards

Hector

Hector Thompson
Acting Division Head
Individuals and Indirect Tax Division
Revenue Group
The Treasury

s 22

~~PROTECTED//CABINET~~

From: s 22 <s 22@TREASURY.GOV.AU>

Sent: Wednesday, 15 July 2020 12:56 PM

To: s 22 <s 22@TREASURY.GOV.AU>

Cc: s 22 <s 22@TREASURY.GOV.AU>; s 47E(d) <[s 47E\(d\)@TREASURY.GOV.AU](mailto:s 47E(d)@TREASURY.GOV.AU)>; s 47E(d) <[s 47E\(d\)@TREASURY.GOV.AU](mailto:s 47E(d)@TREASURY.GOV.AU)>; McCullough, Paul

<Paul.McCullough@TREASURY.GOV.AU>; Thompson, Hector <Hector.Thompson@TREASURY.GOV.AU>; Jeremenko, Robert <Robert.Jeremenko@treasury.gov.au>

Subject: Budget revenue submission - meeting [~~SEC-PROTECTED, CAVEAT SH: CABINET~~]

Hi s 22

Would it be possible to organise a short meeting with Maryanne on the revenue submission early next week (Monday or Tuesday if possible). The meeting will be to discuss proposals for inclusion in the revenue submission before we send up a minute to the TO – we will send Maryanne a draft minute ahead of the meeting. The division heads that will need to attend the meeting are Paul McCullough, Hector Thompson, Kat Di Marco and Robert Jeremenko. I'll confirm by tomorrow if any of them do not need to attend. Gillian Beer and I will also need to attend.

Thanks,

S

s 22

Manager
Personal Tax Modelling Unit | Tax Analysis Division | Revenue Group
Phone: s 22

s 22

From: s 22
Sent: Wednesday, 15 July 2020 12:13
To: s 22
Cc: s 22
Subject: RE: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

Will do.

OFFICIAL

From: s 22
Sent: Wednesday, 15 July 2020 12:11 PM
To: s 22
Cc: s 22 ; Ewing, Robert s 47E(d)
Subject: RE: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

Thanks s - that sounds fine to me. Appreciate if you could share a version of the MS for our comment even if it's with a quick turnaround.

OFFICIAL

From: s 22
Sent: Wednesday, 15 July 2020 11:29 AM
To: s 22 <s 22@TREASURY.GOV.AU>
Cc: s 22 <s 22@TREASURY.GOV.AU>; s 22 <s 22@TREASURY.GOV.AU>;
s 22 <s 22@TREASURY.GOV.AU>; Ewing, Robert <Robert.Ewing@TREASURY.GOV.AU>; s 47E(d) <[s 47E\(d\)@TREASURY.GOV.AU](mailto:s 47E(d)@TREASURY.GOV.AU)>
Subject: RE: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

Hi s 22

As discussed, we are trying to send a MS to the AMF by the end of this week on specific listings for the Treasury Revenue Submission. We will include in the MS that the AMF agree to reverse the 2019-20 Budget decision to specifically list China Matters (as it is not progressing through the legislative process at this time).

When China Matters was costed, TAD costed it to have a negligible impact on revenue.

Are you comfortable if we write in the MS that reversing the previous decision on China Matters will have a negligible impact on revenue and in the interim we will also submit the formal costing in URS? This would give you some more time to do the costing for us.

Thanks,
s

OFFICIAL

From: s 22 <s 22@TREASURY.GOV.AU>
Sent: Wednesday, 15 July 2020 11:19 AM
To: s 22
Subject: FW: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

FYI

OFFICIAL

From: s 22 <s22@TREASURY.GOV.AU>
Sent: Wednesday, 15 July 2020 9:38 AM
To: s 22 <s22@TREASURY.GOV.AU>; s 47E(d) <[s47E\(d\)@TREASURY.GOV.AU](mailto:s47E(d)@TREASURY.GOV.AU)>
Cc: s 22 <s22@TREASURY.GOV.AU>; s 22 <s22@TREASURY.GOV.AU>;
Ewing, Robert <Robert.Ewing@TREASURY.GOV.AU>
Subject: RE: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

Thanks s 22 – it would be good to get it into URS for a formal costing. Please let us know once you have submitted it.

OFFICIAL

From: s 22 <s22@TREASURY.GOV.AU>
Sent: Wednesday, 15 July 2020 9:31 AM
To: s 47E(d) <[s47E\(d\)@TREASURY.GOV.AU](mailto:s47E(d)@TREASURY.GOV.AU)>
Cc: s 22 <s22@TREASURY.GOV.AU>; s 22 <s22@TREASURY.GOV.AU>
Subject: China Matters Decision Reversal [SEC=OFFICIAL]

OFFICIAL

Hi PTMU,

Just a quick question regarding an MS the NFP team is pulling together for DGR specific listings.

One element of the MS is the reversal of a decision made to list an organisation called China Matters. It was approved for listing and announced in the 2019-20 Budget, but was subsequently removed and the Minister is now being asked to formally reverse the government's decision to list China Matters. Do we need to get a costing from TAD on this reversal? The original costing note can be found at PTAU [2018-044](#).

If you need any further information just let me know. Happy to chat further.

Kind regards,

s 22

Not-for-profit Unit
Individuals and Indirect Tax Division
The Treasury, Langton Crescent, Parkes ACT 2600
Phone: +s 22
Email: s 22 <s22@treasury.gov.au>

 The Treasury acknowledges the traditional owners of the country throughout Australia and their continuing connection to land, sea and community. We pay our respect to them and their cultures and to the elders past and present.

OFFICIAL

s 22

From: s 22
Sent: Friday, 17 July 2020 10:38
To: s 22
Cc: Rowbotham, Jacky
Subject: RE: Regular Meeting [SEC=OFFICIAL]

OFFICIAL

FYI – I just spoke with s and she does want China Matters included in the SL MS.

OFFICIAL

From: s 22
Sent: Tuesday, 14 July 2020 2:59 PM
To: s 22
Cc: Rowbotham, Jacky
Subject: Regular Meeting [SEC=OFFICIAL]

OFFICIAL

Hi s

Thanks for your time earlier today, we are finding these regular catch ups with you really valuable. I thought it might also be good to summarise the action items from our discussion.

s 22

Specific Listings

- s 22 o come back to Treasury on China Matters for the 2020-21 Treasury enue Submission.

s 22

Please let me know if I have misrepresented any of the above.

Thanks,

s 22

Manager, Not for Profit Unit
Individuals and Indirect Tax Division
The Treasury, Langton Crescent, Parkes ACT 2600

s 22

OFFICIAL
OFFICIAL

§ 22

From: § 22
Sent: Monday, 10 August 2020 09:16
To: Beer, Gillian; § 22
Cc: § 47E(d) ; Thompson, Hector; McCullough, Paul; Mrakovcic, Maryanne; §
Subject: Revenue Submission - items to progress [~~SEC-PROTECTED, CAVEAT-SH-CABINET~~]

PROTECTED//CABINET

Hi Gillian and § 22

The Treasurer has considered a first pass of items to be worked up for the revenue submission.

The following items are to progress please, noting there will a further review stage when we have a draft ED, NPPs and costings:

§ 22

§ 22 Reverse previous decision to list China Matters.

§ 22

§ 22

Senior Adviser – Tax and Comm-State
Office of The Hon. Josh Frydenberg MP
Treasurer | Deputy Leader of the Liberal Party | Federal Member for Kooyong
E: § 22 [@treasury.gov.au](mailto:§ 22@treasury.gov.au)
M: § 22

PROTECTED//CABINET

s 22

From: Thompson, Hector
Sent: Thursday, 13 August 2020 15:58
To: McCullough, Paul; s 22 ; Rowbotham, Jacky
Cc: Di Marco, Katrina; s 47E(d) ; s 22
Subject: RE: FOR CLEARANCE - Revenue Submission NPPs [SEC=PROTECTED, CAVEAT=SH:CABINET]

~~PROTECTED//CABINET~~

Hi Paul

Yes, there is (and some controversy has been anticipated).

Regards

Hector

Hector Thompson
Acting Division Head
Individuals and Indirect Tax Division
Revenue Group
The Treasury
+s 22 (mobile)
+61 2 6263 4475 (landline)

~~PROTECTED//CABINET~~

From: McCullough, Paul
Sent: Thursday, 13 August 2020 3:02 PM
To: s 22
Cc: Di Marco, Katrina ; Thompson, Hector ; s 47E(d) ; s 22
Subject: RE: FOR CLEARANCE - Revenue Submission NPPs [SEC=PROTECTED, CAVEAT=SH:CABINET]

~~PROTECTED//CABINET~~

Thanks s 22 .

Assuming a response from Hector on the question below, all clear.

- Hector: I presume there is background on the 'China Matters' DGR reversal? (I don't need to know it: just to have your assurance that this is a deliberate decision that is either non-controversial, or in respect of which the controversy has been anticipated...)

Regards Paul

~~PROTECTED//CABINET~~

From: s 22 <s 22@TREASURY.GOV.AU>
Sent: Thursday, 13 August 2020 11:08 AM
To: McCullough, Paul <Paul.McCullough@TREASURY.GOV.AU>
Cc: Di Marco, Katrina <Katrina.DiMarco@TREASURY.GOV.AU>; Thompson, Hector <Hector.Thompson@TREASURY.GOV.AU>; s 47E(d) <[s 47E\(d\)@TREASURY.GOV.AU](mailto:s 47E(d)@TREASURY.GOV.AU)>; s 22 <s 22@TREASURY.GOV.AU>; s 22 <s 22@TREASURY.GOV.AU>
Subject: RE: FOR CLEARANCE - Revenue Submission NPPs [SEC=PROTECTED, CAVEAT=SH:CABINET]

Hi Paul,

Please find attached the following NPPs ready for clearance:

s 22

- Reverse the decision to list China Matters as a deductible gift recipient in the tax law

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From: s 22
Sent: Friday, 11 September 2020 15:46
To: s 22
Cc: s 22
Subject: RE: Action items: Revenue Submission back pockets [~~SEC=PROTECTED, CAVEAT=SH:CABINET~~]
Attachments: Additional Information.docx

PROTECTED//CABINET

Hi s

Briefing doc cleared by Jacky.

Cheers,

s 22
Analyst
Not for Profit Unit | Individuals and Indirect Tax Division | Revenue Group
Phone: +s 22

PROTECTED//CABINET

From: s 22
Sent: Friday, 11 September 2020 1:10 PM
To: s 22
Cc: Thompson, Hector ; Fraser, Bede ; Rowbotham, Jacky ; s 22 ; s 47E(d) ; s 22
Subject: Action items: Revenue Submission back pockets [~~SEC=PROTECTED, CAVEAT=SH:CABINET~~]

PROTECTED//CABINET

Hi s 22 ,

Maryanne has requested background briefs for all of our RevSub items, by this afternoon. Grateful if you can pull together any background docs that may meet Maryanne's needs for the s 22 DGR proposals, check in with Jacky, and then pass these on to me.

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Thank you,
s

PROTECTED//CABINET

From: s 22 <s22@TREASURY.GOV.AU>
Sent: Friday, 11 September 2020 12:40 PM
To: Thompson, Hector <Hector.Thompson@TREASURY.GOV.AU>; Fraser, Bede <Bede.Fraser@TREASURY.GOV.AU>; McCullough, Paul <Paul.McCullough@TREASURY.GOV.AU>; Davy, Kathryn <Kathryn.Davy@treasury.gov.au>
Cc: s 47E(d) <[s47E\(d\)@TREASURY.GOV.AU](mailto:s47E(d)@TREASURY.GOV.AU)>; s 22 <s22@TREASURY.GOV.AU>;

s 22 @TREASURY.GOV.AU>; s 22 @TREASURY.GOV.AU>
Subject: RE: Action items: Revenue Submission [~~SEC-PROTECTED, CAVEAT-SH:CABINET~~]

~~PROTECTED//CABINET~~

Hi everyone,

Maryanne has requested background briefs for all NPPs in the revenue submission by this afternoon.

s 22

If you have already provided briefing to Maryanne, please email the briefs to s 22

Thanks,

s 22

~~PROTECTED//CABINET~~

From: s 22

Sent: Thursday, 10 September 2020 4:17 PM

To: Thompson, Hector <Hector.Thompson@TREASURY.GOV.AU>; Fraser, Bede <Bede.Fraser@TREASURY.GOV.AU>;

McCullough, Paul <Paul.McCullough@TREASURY.GOV.AU>; Davy, Kathryn <Kathryn.Davy@treasury.gov.au>

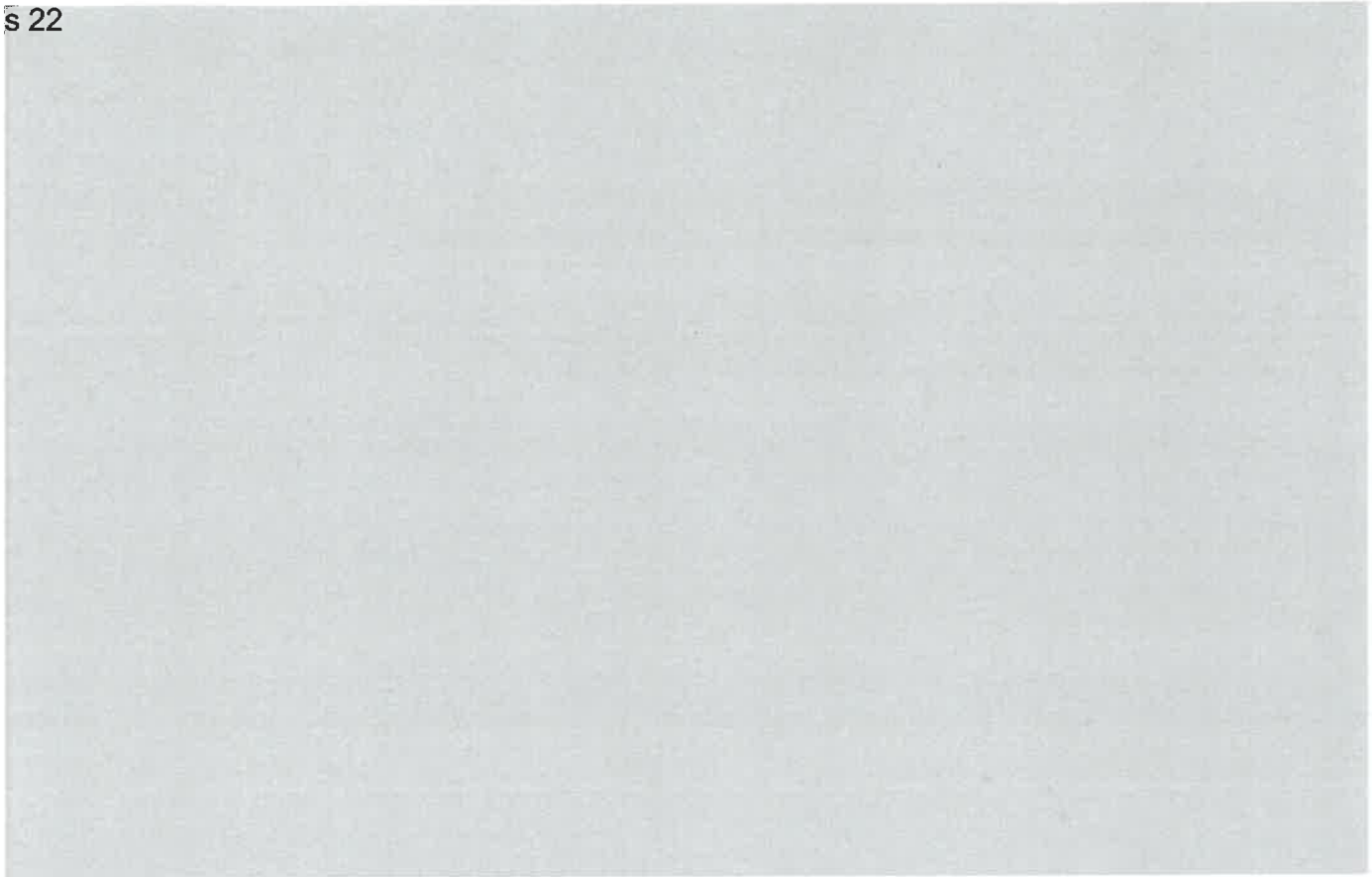
Cc: s 47E(d) @TREASURY.GOV.AU>; s 22 @TREASURY.GOV.AU>;

s 22 @TREASURY.GOV.AU>

Subject: Action items: Revenue Submission [~~SEC-PROTECTED, CAVEAT-SH:CABINET~~]

~~PROTECTED//CABINET~~

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Analyst

Personal Tax Modelling Unit | Tax Analysis Division | Revenue Group

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~~PROTECTED//CABINET~~

Background Information – DGR Specific Listings

The NPP covers the reversal of the decision to specifically list China Matters:

China Matters was approved to be specifically listed and announced in the 2019-20 Budget.
However, it was removed from the legislative amendments that were put to parliament in Treasury
Laws Amendment (2020 Measures No. 2) Bill 2020 on 13 May 2020

Treasury agrees with the reversal. We did not recommend this organisation for specific listing.

China Matters
Entity Background and Purpose
<ul style="list-style-type: none"> • China Matters is a registered charity established to educate the Australian public, businesses, politicians and community leaders on the relationship between Australia and the People's Republic of China. The organisation focusses on the political, economic, social and security issues involved in this relationship. <ul style="list-style-type: none"> – The organisation submits it is non-partisan and provides education on the full spectrum of views on the Australian-Chinese relationship. • China Matters provides: forums on the Australian-Chinese relationship for Members of Parliament; a monthly policy brief that is mailed to every Member of Parliament; dinners for public servants and business executives; and opportunities for Australians aged 35 and under to examine publish material on policy issues relevant to the Australian-Chinese relationship. <ul style="list-style-type: none"> – In September 2018, China Matters held a three-day study tour in Beijing for two Members of Parliament and one business leader.
Recommendation
<ul style="list-style-type: none"> • Treasury recommends declining China Matters' request for specific listing as a DGR, as the organisation lacks sufficiently exceptional circumstances to merit listing. In addition, specifically listing China Matters could set a precedent for extending DGR status to organisations with similar purposes. <ul style="list-style-type: none"> – China Matters submits it is unique because it obtains a range of views on the Australia-China relationship. However, a number of other organisations without DGR status have similar, but not identical, purposes, such as the China Studies Centre within the University of Sydney.

Deductible Gift Recipient (DGR) Specific Listings

SES responsible: Jacky Rowbotham

Updated: 10/04/2025

FOI 3894

Document 15

What is the problem?

- In order to receive deductible gift recipient (DGR) status, an entity must fall within one of the over 50 general categories set out in the gift provisions of the *Income Tax Assessment Act 1997* (tax law) or be specifically listed by name in the tax law.
- s 22
The Government has also decided s 22 to not proceed on a 2019-20 Budget decision to specifically list China Matters Limited.

Why is it important?

- Entities endorsed as DGRs are entitled to receive gifts which are deductible from the donor's income tax. DGR status helps eligible entities attract public financial support for their activities.

How

- s 22
Draft amendments for China Matters Limited will not proceed.

Who?

s 22

Specific Listing Not Proceeding:

- **China Matters Limited** is a registered charity established to educate the Australian public, businesses, politicians and community leaders on the relationship between Australia and the People's Republic of China. The organisation focusses on the political, economic, social and security issues involved in this relationship.