

The Australian Productivity Commission (APC) draft report entitled Future Foundations for Giving, if accepted, will have major ramifications for Christian charities and schools which currently have tax deductible (DGR- deductible gift recipient) status. It seeks to:

a. Remove the advancement of religion and the advancement of education from the classes which are available for DGR status. remove school building funds from DGR status.

b.remove existing carveouts which relieve basic religious charities from the burden of full reporting to the Australian Charities and Not for Profits Commission (ACNC).

The Overview at page 18 says: “However, the Commission does not see a case for additional government support for the practice of religion through the DGR system, based on the first principle above.” The first principle is that there must be community-wide benefits. This reflects a bias against religious institutions (it ignores the benefits of faith) and partly adopts the views of anti-religious groups like the Rationalist Society. It ignores the immense benefits of religion to society, which are well documented.

The removal of the advancement of education and school building funds is a direct attack on Christian and faith-based education. The Overview says: “The Commission’s view is that converting a tax-deductible donation into a private benefit is, in principle, a substantial risk for primary and secondary education, religious education, and other forms of informal education, including school building funds”.

The target is private Christian and faith-based education. The removal of school building funds from DGR status will significantly affect school building programs.

This will expose small religious charities to more paperwork which may cause some to close. It will expose all such bodies to the ACNC removing their governing bodies and replacing them with its own choice of board members. This, of course, enables the government to take control of small charities to the deepest level, opening the way for the State to control religious charities.

Please ensure that this APC proposal does not proceed.

Yours faithfully

Ian Sarah