

Bender, Michelle

From: Dick Clifford [rmc@adelaide.on.net]
Sent: Tuesday, 30 September 2003 4:34 PM
To: charitydefinition@taxboard.gov.au
Subject: Submission; Consultation on the Definition of a Charity
The Board of Taxation
C/o The Treasury,

Dear Sir or Madam,

Our submission is contained as an attachment in word or alternatively is pasted below in plain text.

Yours faithfully

R.M. Clifford.

HUMANIST SOCIETY OF SOUTH AUSTRALIA Inc.

G.P.O. Box 177 Adelaide, 5001

28/09/2003
Board of Taxation
The Treasury,
Langton Crescent
Parkes, A.C.T. 2600

CONSULTATION ON THE DEFINITION OF A CHARITY

Preliminary Information Being responses to the 8 questions asked in your Guidance on preparing a Submission.

- (1) The Humanist Society of South Australia (see above and below for address) has not been recognised as a charitable organization.
- (2) To provide an education on the philosophy and principles of Humanism by way of journals and discussion meetings that are open to the public.
- (3) Our reasons for making this submission is our concern that secular societies are not being given consideration and that our democratic rights and duties are not made clear.
- (4) The ATO has agreed that we are a not-for-profit organization but has not accepted our claim for Income Tax exemption. However as our income is very low we do not pay tax.
- (5) We doubt that the Charities Bill 2003 will make much difference. We note that other similar societies have been successful in obtaining ITEC status on grounds of education and suspect that it is a matter of persistence.
- (6) We do not anticipate any additional costs or burdens to arise from this Bill.
- (7) Many societies are losing members and the government should examine the situation to see if new societies are being formed and how the Bill can be adapted to suit new societies.
- (8) Altruism should be inherent in a charity. Altruism should be encouraged and material gain be discouraged, i.e. large business owned by a charity should be subject to the same taxes as ordinary business.

Democratic Rights and Duties

Clause 8 2 c under disqualifying purpose says "the purpose of attempting to change the law or government policy"

We believe that we live in a democracy where the citizen and his/her organizations have the right, indeed the duty to reform and amend the law and the government using normal democratic processes. True you follow this up with a sentence to say its OK if only ancillary or incidental to the main purpose.

We suggest it could be better to require an organization to spend most of its funds on the main purpose but otherwise leave an organization free to make submissions, publicise its point of view, and use all normal democratic processes to influence government, political parties and the public. P.T.O.

Religion and Secularism

It is regrettable to see that this bill continues to favour religion and does little to recognise secular societies. In a previous submission I suggested that wherever the word "religion" appeared it should be followed by "and other belief systems".

To give charitable status to closed or contemplative religious orders does not seem to have any purpose, other than currying favour, because I don't think the ATO would tax them anyway.

However the recognition of child-care and self-help bodies is a step in the right direction

In conclusion I repeat our previous recommendation that where a charity owns or runs a commercial undertaking whose income exceeds \$100,000 per annum then the commercial part of the operation must pay tax on the same basis as any other business. This ensures that businesses compete on a level playing field.

R.M.Clifford.
President

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