

## Submission to Senate Standing Committees on Economics

### Not-for-profit Entities – Tax Assessments

Dear Committee Members,

I make this submission as President of a small Landcare Group in Victoria, the Paynesville Landcare Coastcare Group Inc.

Our group formed in 2013 to improve a public walking track on public land in the heart of Paynesville. Our members were concerned that the East Gippsland Shire Council who were responsible for upkeep along the track had insufficient resources to properly maintain it and it was being overrun by weeds and invasive plants.

We developed a Plan of what we intended to do to remove the weeds and try to restore the natural habitat that previously existed thus making it an attractive place for community members and visitors to enjoy the area while obtaining some exercise. The Shire accepted our Plan, and we have spent the last decade and more following our Plan. All our work is on public land, there is no personal benefit for any member, and we have through track improvements, removal of difficult areas of passage and general improvements in the area, created a wonderful walk to be enjoyed by a diverse range of people of varying abilities. In 2022 in conjunction with the Shire we had the walk formally recognised as a Victorian placename, the Dinni Birraark Walk.

We have also set up a Facebook page to make it easier for visitors and community members to obtain information about the walk and arranged for it to be identified on Google Maps.

We obtained an ABN soon after being incorporated so that we would be eligible for small grants to help us do physical track work and major weed control using contractors and we have been successful with a few grants, the remainder of our income (less than \$1000 per annum) coming from member's fees.

This new ruling of the ATO allows any football club or any yacht club to self identify as a NFP but does not allow our Group to do the same thing. People join a yacht club for personal benefit and physical activity, our members join for no personal benefit whatsoever, they do obtain physical activity by participating and they thereby create a benefit for the general community yet we have onerous conditions placed on us by the ATO.

We can see zero logic for allowing a wide range of clubs and associations to self identify as NFPs, but small Landcare groups like ours, acting solely on public land for public benefit, are denied that same right. We trust that the Committee members will act to correct this injustice before a number of small groups like ours acting for the benefit of the broader community decide the bureaucracy just makes things too difficult and decide to disband. There is no logical reason why we should not be allowed to self identify as a NFP which we very clearly are in exactly the same way as the local football / tennis / bowling club or any other of the large number of ATO identified self reporting organisations.

This action by the ATO is a direct attack on members of the community trying to create a better environment for everyone, and those persons are the last group who should have onerous obligations placed upon them.

Yours sincerely,

Russell Peel  
President – Paynesville Landcare Coastcare Group Inc

