

I support the Tax Laws Amendment (Public Benefit Test) Bill 2010

The public benefit test must include the following key principles:

- (a) there must be an identifiable benefit arising from the aims and activities of an entity;
- (b) the benefit must be balanced against any detriment or harm;
- (c) the benefit must be to the public or a significant section of the public, and not merely to individuals with a material connection to the entity.

I support the amendment because:

- Any organization supported by the Australian Government through tax exemptions is in fact given a veneer of respectability and is endorsed and approved by the Australian government thus reassuring citizens that these organizations are worthy of further investigation or support.
- We need to be sure that organizations deserve such tax exempt status. How do they contribute to the greater good? Are they serving the country or detracting from it? Does the money raised by these organizations stay in the country or is it moved off-shore?
- The current tax-exempt status enjoyed by many organizations seems to be a remnant of an old system when church and state were inextricably tied. As this is no longer the case I believe the system needs a complete review to bring it in line with current thinking.
- It has been shown that many of the organizations currently enjoying tax exempt status have abused their positions as public benefactors. Child abuse, low or no wages paid to “employees” systematic abuses of their adherents and even murder and suicide have all been perpetrated by organizations enjoying tax exempt status. I believe the government should not be supporting such organizations.
- In today’s financial climate the country cannot afford to confer tax exempt status without confirming that the organisation is *capable of* and *does* provide a needed service with efficiency, compatibility and quality in a way that compliments our existing welfare system.
- Self-assessment for tax exemption is an open invitation to the unscrupulous to avoid paying their fair share. A PBT will eliminate those who are unscrupulous and confirm those who are actually supporting the community in ways that we value and with standards that are appropriate.