

Submission to the Senate Economics Committee Regarding Tax Laws Amendment
(Public Benefit Test) Bill 2010 by Hudson Carrad

To whom it may concern,

I write this in wholehearted support of the Tax Laws Amendment (Public Benefit Test) Bill 2010, proposed by Independent Senator Nick Xenophon. I recommend that this Bill be passed unchanged.

As it stands, the amendment will benefit the public by ensuring a greater deal of scrutiny on organizations that apply for tax free/exempt status. This will ensure that dangerous organizations and cults that seek no more than to fill coffers and destroy lives will not be allowed to exist, a clear benefit for society. Furthermore, the money that is saved on these insidious organizations will go to public and can be used to fund social infrastructure which will serve to benefit all Australians.

The term "public benefit" is fairly clear cut and, if a reasonable dose of common sense of used, can easily be applied. The Bill openly states that an organization will be in the public benefit if it confides by three basic principles:

There must be an identifiable benefit arising from the aims and activities of an entity;

The benefit must be balanced against the harm;

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.

The beauty of this Bill is in those three principles as it allows bona fide organizations to easily get through without worry as to the future of their status, while organizations that are not in the public benefit will either have their current tax free status revoked, or be refused tax free status. It is important that organizations with a clear benefit to the public be made aware that their operations will not be challenged or hindered by this Bill. After all, the test aims to help the public, not to harm it. Groups such as Youth off the Streets or the Salvation Army, which have clear benefits and hardly any detriment to society, would have no problems in passing a test.

Currently the United Kingdom has a similar test in place in an attempt to stop dangerous organizations such as the Church of Scientology International from being classed as a religion. Now, the validity of Scientology as a religion is an entirely separate matter (one I believe should be investigated), however, the organization itself is dangerous and seeks no more than to damage peoples mental states, tear apart families and make profits for its management. Furthermore, the recent police raids on the Agape Ministries International showed clear flaws in the current measures to protect the Australian public from the potential harm of such organizations. The police raid uncovered alarming weapons stockpiles, child abuse, and ideological brainwashing, things that should never occur on Australian soil. Add to this the claims made by former Scientologists about the Church of Scientology International and we have two organizations that have operated on Australian soil while being funded by the tax payer.

I see no valid reason whatsoever that the Australian taxpayer (myself being one of them) should fund organizations such as these which have no clear benefit to society.

This Bill will seek to protect vulnerable Australians from being taken advantage of by these organizations. Many critics of Senator Xenophon's actions and motives seem to take the stance that this is making a standard for all based on a single entity (in this case Scientology). This is not the case, this Bill will not only limit the dangers that Scientology poses to Australians, but it will also stop more organizations like it from

starting in the future. Though many, if not most organizations with tax free status in Australia are thoroughly deserving of their status, there are a select few that are not. This Bill will not only weed those out but serve the Australian public by stopping more of their kind from starting.

For the benefit of the broader Australian public, for former cult members and victims, and for those who are vulnerable to the damaging effects of cults, I urge you to support this Bill and pass it unchanged.

Regards,

Hudson Carrad