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STATEMENT

Today Tonight news item concerning Church of Scientology Religious Education College Inc,
22 June 2010

A programme aired on Channel 7's *Today Tonight* on 22 June 2010 making allegations about the Church of Scientology.

Presenter Matt White and reporter Bryan Seymour alleged that the Church of Scientology in the UK "has been avoiding paying tax in the United Kingdom by claiming its entire operation is run out of South Australia."

White and Seymour contrived to restate this same allegation for 10 minutes of prime time viewing, when just a cursory look at the facts demonstrates it to be patently false.

The Church's accounts filed with the UK's Company's House clearly show that the UK Church accounts for taxes in the UK. Bryan Seymour was privy to these accounts as he quotes from them in the news item, albeit very selectively to suit his own agenda, even to the extent of curtailing, with a full stop, the quote mid-sentence, as follows:

"The Church is a South Australian charity, and is established in England for charitable purposes only. The trustees consider that corporation tax should not therefore be applicable."

The complete statement is:

*"The Church is a South Australian charity, and is established in England for charitable purposes only. The trustees consider that corporation tax should not therefore be applicable, **however corporation tax and deferred tax have been provided for in these financial statements.**"*

COSRECI has paid all corporate taxes, due on any surplus in accordance with the UK tax legislation. It receives no corporate tax benefit in the UK from being incorporated in South Australia. Today Tonight had COSRECI's tax filing in hand before their broadcast and deliberately edited the Church's financial statement to remove this fact. That is dishonest. Yet it is precisely the type of parlour tricks Senator Xenophon is relying on and another reason why his proposed legislation should be rejected.

What Bryan Seymour didn't tell his viewers was that the Church association that is incorporated in South Australia – Church of Scientology Religious Education College Incorporated (COSRECI) – was incorporated in 1976 and registered as the corporation for Churches in England in 1977, a full 22 years earlier than the incident with the "authorities" to which he refers. If he just didn't know the date, that would in itself be a result of shoddy and unprofessional "investigative" journalism. But he did know – the date is clearly given in the COSRECI papers filed with the relevant Australian and English authorities, the contents of which he otherwise refers to in his programme. The problem is that without also alleging that the Church of Scientology is capable of time travel, it just wouldn't fit the story to mention that rather important detail. So just miss it out, realising the vast majority of viewers will just assume that COSRECI was established in England less than 10 years ago.

The balance of this 10 minute "news" item consists of various insinuations designed to further deceive the viewer into believing the central allegation.

The truth is that Brian Seymour already knew the Church accounts for any due taxes.

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