



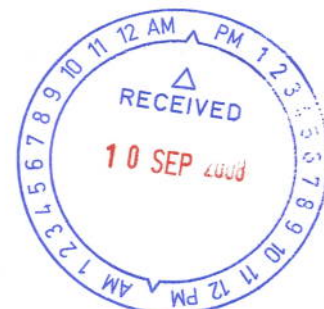
# Katoomba Neighbourhood Centre Inc

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Committee Secretary  
Senate Economics Committee  
Dept of the Senate  
PO Box 6100  
Parliament House  
Canberra ACT 2600

16 August 2008



## **Inquiry into the disclosure regimes for charities and not-for-profit organisations**

Dear Sir/Madam

Thank you for the opportunity to have input into this Inquiry. We are very happy that this Inquiry is being held.

Katoomba Neighbourhood centre Inc (KNC) has tried unsuccessfully on a number of occasions to acquire tax deductible status. We have operated as an NGO for 30 years (27 funded) and there are and have been numerous federal, state and locally funded services and activities that KNC has auspiced and which have great positive impacts in the Blue Mountains (BM) NSW community.

We are concerned about the inconsistency of granting tax deductible status eg in the Blue Mountains there are 6 neighbourhood centres – 4 have tax deductible status and 2 don't. There are 2 family support services – 1 has "the status" and the other doesn't. We do not want to jeopardise those services that DO have the status but we feel that as not-for-profits we should all be entitled to this benefit.

Funding from all levels of government has become harder to secure and now governments say they "make a contribution" to the running of services which implies we are supposed to find other sources. Without tax deductible status this is almost impossible – we may secure contributions from small local businesses such as food, paying for ads but nothing significant for wages or program costs.

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Incorporating:  
Katoomba Volunteer Home Visitors  
Katoomba Out of School Hours Service  
Community and Cultural Development

Blue Mountains Home Modification and  
Maintenance Service  
Community Visitors Scheme  
Vale Street Social & Recreation Service

The not-for-profit sector provides a varied, strong and essential range of services, activities and opportunities to support people at vulnerable life stages as well as to engage people in their local communities and build social capital. This requires people with multiple skills who are paid considerably less than the public service. Without tax deductible status there is not the ability to salary sacrifice which would encourage the retention of skilled workers.

Some of the reasons given for KNC's refusal of tax deductible status were (at different times): you do community development, community education and preventative work; you receive fees for service (which we do for our Out Of School Hours service and our Mountainwide Home Modification and Maintenance service); you critique government policy and do advocacy and lobbying.

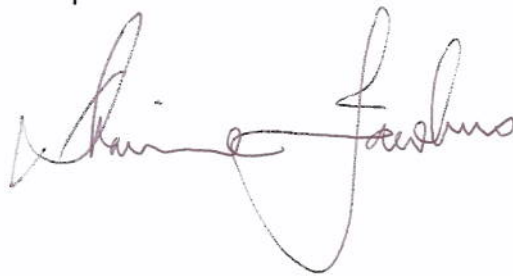
KNC has always had a broad focus undertaking a range of actions depending on the needs and resources available. We work collaboratively with other ngo's, churches, government depts, businesses – whatever is needed to address social needs to build and improve the lives of people of all ages and backgrounds.

At any one time we have about 110 people volunteering their time which saves all governments "a lot of money".

We would like to see the current laws changed for fairness and consistency so that all not-for-profits can have tax deductible status. We believe that this would strengthen small NGO's in particular and open up opportunities for grants from philanthropic sources.

I am happy to elaborate on this submission and I look forward to positive outcomes for the not-for-profit sector.

Yours truly

A handwritten signature in dark ink, appearing to read "Dianne Jacobus". The signature is fluid and cursive, with a large loop at the end.

Dianne Jacobus  
KNC Manager

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