

Media Release

from the fundraising sector

26 February 2016

FIA welcomes ACNC Red Tape Report

The need to reduce costs and update fundraising regulation are front and centre in the latest ACNC-commissioned [Cutting Red Tape report](#) by Deloitte Access Economics.

The report states, "Overwhelmingly, fundraising is the source of the greatest amount of regulatory burden for charitable organisations. Fundraising legislation differs significantly between jurisdictions which very quickly escalates the administration costs a charity incurs. Consequently the annual regulatory burden associated with fundraising regulations is estimated at approximately \$13.3 million per year across the sector."

Not only does the report put an actual figure on red tape, it also addresses the need for regulation to keep pace with technological change.

"Fundraising regulation has not kept pace with new forms of fundraising particularly as online campaigns for funds have grown through the use of third party websites. The current arrangements treat fundraising as an activity isolated to one state or territory, when in reality, even small organisations may attract interest nationally and internationally through online channels such as crowdsourcing websites."

The report presented three options for aligning regulation and covers state taxes and incorporated associations laws as well as fundraising.

FIA believes that the third option which would allow charities to apply for a fundraising license online as part of the registration process and allow other reporting requirements to be submitted as part of the Annual Information Statement submission process would produce the greatest benefit for members.

FIA CEO Rob Edwards said the ACNC is to be commended for commissioning this report.

"FIA has long advocated for simplified fundraising regulation and is working closely with ACNC on these developments. There is renewed enthusiasm this year to reform fundraising regulation at all levels of government which was clear at the Charitable Fundraising Forum in Sydney earlier this month," Rob Edwards said.

"As the report said, a state-based organisation with a website is now operating nationally. If we don't move towards fundraising harmonisation which works with current practice, many charities may be non-compliant, not wilfully, but because they are simply unaware of reporting and regulatory requirements outside their home state," he said.

“The current regulatory framework is a legacy from a different time, and could have the unfortunate effect of stifling fundraising activity. It’s in everybody’s interests to allow donors to support the causes they care for and give to charities wherever they are in Australia,” he said.

Media enquiries: Philippa Brandon 02 9411 6644