

9 December 2021

Individuals and Indirect Tax Division
The Treasury
Langton Cres
Parkes ACT 2600

Email: charitiesconsultation@treasury.gov.au

Dear Sir/Madam,

FIA appreciated the opportunity to comment on the draft guidelines *Taxation Administration (Public Ancillary Fund) Guidelines 2022*.

FIA has concerns about many elements of the proposed changes particularly in relation to the new eligibility requirements for Responsible Persons.

As the peak body for professional fundraising, our mission is to advance ethical, best-practice fundraising in Australia in order to sustain the trust of donors and continued sustainability of fundraising into the future. FIA members including fundraising organisations of all types and include organisations that are or use Public Ancillary Fund (PuAF) structures.

Having reviewed the draft guidelines and consulting with our colleagues in other peak bodies, FIA wishes to strongly support the concerns and arguments of Philanthropy Australia, the peak body for philanthropy in Australia. FIA agrees that changing eligibility requirements for Responsible Persons will have unintended harmful impacts for our members and the broader sector. We also agree that the proposed change has no policy rationale to justify it.

FIA agree strongly with the following recommendations by Philanthropy Australia:

1. Recommendation

The Clause 8(12) of the Draft Guidelines be removed.

2. Recommendation

In Clause 22(3) of the Draft Guidelines, the word 'material' should be included before 'benefits'.

3. Recommendation

In Clause 27(1)(c) of the Draft Guidelines, the wording should be amended to ensure that portability is not adversely impacted and that the regulatory framework for ancillary funds retains its existing flexibility.

Thank you for the opportunity to provide feedback on *Taxation Administration (Public Ancillary Fund) Guidelines 2022*.

Regards,

A handwritten signature in grey ink that reads 'Katherine Raskob'.

Katherine Raskob
Chief Executive Officer
Fundraising Institute Australia