

NFP Reform: the state of play (March 2012)

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Regulation

[Australian Charities and Not-for-Profits Commission](#)

This government body is intended to regulate charities (initially), provide education and support, establish an information portal, and facilitate reduction of regulatory duplication. Will operate under the Australian Taxation Office, although intended to be operationally independent.

To be established by **1 October 2012**, with legislation to be introduced by **18 June**. Significant redrafts of the Exposure Draft legislation are underway and will be released to targeted stakeholders, with last redrafts by mid-May.

[Standardised governance principles](#)

A separate Consultation Paper discussed governance principles to be included within the ACNC legislation (such as statutory duties of responsible individuals).

Treasury has provided some indication of governance principles it will include, which are significantly different from those foreshadowed. There will also be lengthy transitional arrangements. These principles will be released to targeted stakeholders.

Taxation

[Not-for-Profit Sector Tax Concession Working Group](#)

This was established to consider the recommendations of the Henry Review affecting the NFP sector. It will discuss fringe benefits tax and deductible gift recipient status. Its recommendations must be revenue neutral.

Reporting date in **December 2012**.

[Unrelated business income tax \(UBIT\)](#)

Income from unrelated business activities which is not applied to an entity's charitable purposes will be taxed.

ETA for Exposure Draft: **April/May 2012**.

['In Australia' conditions](#)

Proposals to change the requirements for entities to operate 'in Australia' for the purposes of tax concessions, including a standard definition of 'not-for-profit'.

Significant changes likely. ETA for 2nd Exposure Draft: **June/July 2012**.

Other

[Statutory definition of charity](#)

Enactment of a statutory definition of charity.

ETA: **July 2012** for commencement in **July 2013**.

[Fundraising regulation](#)

Proposals for a national system of fundraising regulation. Submissions on consultation paper due **5 April**.

aims to clarify... would also require that public benefit be d... the presumption of public benefit that cur...
charity n. A body (corporate or not) estab... pecified by statute (see CHARITABLE TRUST)... High Court in the exercise of its jurisdic... exceptions, all charities are required to be...
Charity Commission A statutory body, generally responsible for the administratic... responsible for promoting the effective use... the development of better methods of adm... information and advice on matters affectin... checking abuses. The Commissioners main... and decide whether or not a body should b... may be made to the High Court. Their Ann... Office) indicate how the Commissioners op... charity to develop.
charter n. 1. A document evidencing som... another. The term is normally used in relat... Crown; for example, the grant of a royal ch...