

To The Hon. Wayne Swan MP
Deputy Prime Minister and Treasurer
The Treasury
Langton Crescent
PARKES ACT 2600
AUSTRALIA
Wayne.Swan.MP@aph.gov.au



23rd December 2012

Dear Treasurer,

The Community Alliance SA Inc. (the Alliance) is a community service organisation (a not-for-profit association established for community service purposes). Our activities are altruistic, aimed at helping the wider community. The Alliance aims to put the people back into planning and development in our State.

Australian Tax Office documentation states that the income of an organisation such as ours is not exempt from taxation if its main purpose is lobbying or political. As we understand it, lobbying can refer to groups such as the Alliance that are trying to change the way Governments act and to change the laws, for the common good.

We urge you to consider our view that:

**providing income tax exemption for community service groups
whose main purpose is lobbying
would be fairer, simpler and more effective, thereby maximising the social good,
and that the next best solution would be to significantly increase the tax free
threshold for these organisations.**

Providing exemption would:

- Bring lobbying groups in line with all other community service organisations.
- Assist them financially in carrying out their activities for the common good.
- Remove the compliance difficulties.
- Prevent small lobbying community groups from losing interest in fundraising.
- Prevent communities from abandoning the idea of forming a lobbying group due to the complexities and skills required in complying with tax requirements.
- have little impact on tax revenue for the Government, in our opinion.

We have made a submission on the Not-for-Profit Sector Tax Concession Working Group Discussion Paper (November 2012) on this basis (a copy of the submission is attached).

We are pleased that your Treasury is giving the not-for-profit sector and the broader community the opportunity to comment on ways to improve the way in which tax concession support is provided to the not-for-profit sector.

Will you consider changing the tax legislation relating to community service groups whose main purpose is lobbying?

Dr Helen Wilmore
Treasurer

Tom Matthews
President