

### **Gifts to Community and Neighbourhood Centres now tax deductible**

**After seven years of persistent advocacy led by our national peak body, Australian Neighbourhood Houses and Centres Association Inc (ANHCA), the Australian Government passed legislation that establishes a national tax deductible fund for Neighbourhood Houses on the last sitting day of the 43<sup>rd</sup> parliament!**

This has been done by the inclusion of Australian Neighbourhood Houses & Centres Association (ANHCA) Inc into the table of specific welfare and rights recipients in the Income Tax Assessment Act 1997.

Merial Clark, Executive Officer of ANHCA, has been at the forefront of the long campaign for tax deductibility for neighbourhood houses and centres and is well aware of the importance of this milestone. "This is a significant day for neighbourhood houses and centres across Australia", she said, "it will provide all houses with a national avenue for receiving tax deductible gifts and give opportunity to the philanthropic bodies and businesses which have wanted to donate to this sector but have been frustrated by the lack of a tax deductible opportunity."

"The majority of neighbourhood houses and centres in Australia have been denied the opportunity to raise funds through donations because their emphasis on building community and enabling people to help themselves does not conform to the narrow and archaic definitions of charitable work eligible for public benevolent institution recognition."

#### **WHAT DOES THIS MEAN FOR YOUR HOUSE/CENTRE:**

Over the next few months ANHCA will establish the mechanism to provide a national fund which will enable your House/Centre, through ANHCA, to:

- Take donations for which the donor or philanthropic body wishes to claim a tax deduction
- Apply for grants provided by philanthropic bodies and foundations which require DGR (tax deductibility) status

ANHCA will first establish processes and administration to enable this to happen, and have engaged an expert from the philanthropic sector to set up this mechanism as soon as possible. Your state peak bodies continue to provide funds to enable ANHCA to do this work for which it has never been funded.

#### **THIS DOESN'T MEAN YOUR HOUSE/CENTRE SHOULD NOT PURSUE PBI STATUS INDEPENDENTLY.**

ANHCA's listing does not enable Salary Packaging under the Fringe Benefit Tax exemption scheme as many Houses & Centres may want, and so this is only a **part step** to the truly level playing field we all wish for. ANHCA and your state Peak Bodies will continue to lobby for access to Public Benevolent Institution status (PBI) by Neighbourhood Houses Centres. In fact ANHCA is already talking to the new ACNC (which will now assess PBI applications) about what steps there are available for Houses & Centres to gain PBI.

However, for those Houses/Centres who do not currently have PBI status and those who will be unlikely to obtain it under current legislation and regulations the ANHCA fund will provide a much needed and previously denied avenue and opportunity for fundraising.