

Submission to Economics Committee

Tax Laws Amendment (Public Benefit Test) Bill 2010

24 June 2010

Dear Senators,

I submit this statement in opposition to the proposed Bill.

According to principle (a) of the proposed bill there must be an identifiable benefit. No religion can prove spiritual enlightenment, which is what billions of people around the Earth get from their various religions. No charity can prove personal satisfaction and pride. No non-profit organisation can prove “feeling good”. It is impossible for any fair and impartial agency on Earth to judge this point and is why the Public Benefit Test in the United Kingdom has proven to be a failure after four years. This part of the proposed law allows prejudice and biased judgement to be made about the choices of Australian citizens. The freedoms of Australia include within their very substance the right for individuals to make their own choices on what they feel will benefit them. It can not be judged by people outside that charity or non-profit organisation.

Principle (b) says the benefit must be balanced against any detriment or harm. Apart from witch hunt tactics and biased opinions this point will forever be a nightmare for any government agency to adjudicate. As an example, does the molestation of one child by one priest condemn a particular religion which is loved by millions? Or does that child get ignored because a vast number of parishioners gain benefits? Our existing laws which protect citizens as individuals and are supposed to be adjudicated on a case by case basis, already protect Australian citizens fairly.

Principle (c) says the benefit must be to a significant section of the public and not merely to individuals with a material connection to the entity. A non-profit organisation like a BMX club, while open to new members, does not benefit a significant section of the public because it runs to benefit its own members therefore it will fail the public benefit test. Likewise the Catholic church does not raise funds to benefit the Jewish or Muslim communities. This principle is not only impractical but is biased and prejudiced against every religion and charity.

In Australia we already have sufficient laws to cover what is and isn't a charity or religious organisation. Any concerns about misdealing should be placed before the appropriate authorities which cover the administration of Australian laws.

I ask the members of this committee to reject the proposed bill outright.

Yours sincerely

Ron Steele