

**Senate Community Affairs Committee**  
**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND**  
**INDIGENOUS AFFAIRS PORTFOLIO**  
**2012-13 Supplementary Estimates Hearings**

**Outcome Number:** 2

**Question No:** 505

**Topic:** NRAS

**Hansard Page:** Written

**Senator Payne** asked:

If a NRAS participant that is currently considered a charity should lose its charitable status, would they automatically lose their incentives, would they consequently need to be paid through refundable tax offsets, or would they effectively be grandfathered?

**Answer:**

If an NRAS approved participant that is an endorsed charitable institution changed from an endorsed charitable institution to an otherwise eligible approved participant part way through an NRAS year, it would retain its NRAS incentives. However, the form in which it received its incentives would depend on whether, as an endorsed charitable institution, it had made an election to receive its incentive as a tax offset certificate.

The *National Rental Affordability Scheme Regulations 2008* provide that where an approved participant is an endorsed charitable institution and has elected to receive an incentive as a tax offset certificate, and then ceases to be an endorsed charitable institution part way through an NRAS year, the Secretary must issue a tax offset certificate for the NRAS year. Where an approved participant is an endorsed charitable institution and has not elected to receive a tax offset, and then ceases to be an endorsed charitable institution part way through an NRAS year, the Secretary must pay the incentive apportioned for the period for which the approved participant was an endorsed charitable institution. For the period that the approved participant was not an endorsed charitable institution, the Secretary must issue a tax offset certificate apportioned for that period.