



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

**A NEW TAX SYSTEM (GOODS
AND SERVICES TAX) BILL 1998**

**A NEW TAX SYSTEM
(GOODS AND SERVICES TAX
IMPOSITION—EXCISE) BILL 1998**

**A NEW TAX SYSTEM (GOODS
AND SERVICES TAX IMPOSITION
—CUSTOMS) BILL 1998**

**A NEW TAX SYSTEM (GOODS
AND SERVICES TAX IMPOSITION
—GENERAL) BILL 1998**

**A NEW TAX SYSTEM
(GOODS AND SERVICES TAX
ADMINISTRATION) BILL 1998**

**A NEW TAX SYSTEM (GOODS AND
SERVICES TAX TRANSITION) BILL 1998**

**A NEW TAX SYSTEM (AUSTRALIAN
BUSINESS NUMBER) BILL 1998**

**A NEW TAX SYSTEM (AUSTRALIAN
BUSINESS NUMBER CONSEQUENTIAL
AMENDMENTS) BILL 1998**

**A NEW TAX SYSTEM (END
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**A NEW TAX SYSTEM (PERSONAL
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**A NEW TAX SYSTEM (COMPENSATION
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AMENDMENT) BILL 1998**

**A NEW TAX SYSTEM (BONUSES FOR
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**A NEW TAX SYSTEM (INCOME TAX
LAWS AMENDMENT) BILL 1998**

**A NEW TAX SYSTEM (AGED CARE
COMPENSATION MEASURES
LEGISLATION AMENDMENT) BILL 1998**

**A NEW TAX SYSTEM (TRADE
PRACTICES AMENDMENT) BILL 1998**

In Committee

SPEECH

Friday, 30 April 1999

BY AUTHORITY OF THE SENATE

SPEECH

Date Friday, 30 April 1999
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Questioner
Speaker Murray, Sen Andrew

Source Senate
Proof No
Responder
Question No.

Senator MURRAY (WA) (1.38 pm)—I am concerned in this debate by what I regard as a very well-intentioned move by the Greens (WA) but a difficulty in understanding the consequences from the point of view of tax administration and the organisations which the two of you have been discussing. Turning to Senator Brown's amendments on sheet 1328, under item 5 he has offered a definition of eligible non-profit organisations, which I know the amendments before us relate to.

Minister, what I know of income tax law is that over decades the definition of charitable and non-profit organisations has been carefully developed in law and has been reinforced through rulings, convention and so forth. So now, as it were, the entire non-profit organisations and the charitable world are very clear about where they stand in relation to tax law, as is the tax commissioner and tax accountants. In other words, it is a very well-understood area of operation and there is little difficulty. It seems to me that the new definition would break open a new discussion as to what falls in and out and what the consequences will be.

I was very distressed to hear the minister picking on Collingwood, because they are having a bad enough run as it is—being a one-eyed Eagle supporter, at the moment I feel on the up. The point you made is a good one and so is the definition, as I understood it, put forward by Senator Brown. Quite frankly, with the best of intentions—this is not mischievous—this is designed to throw a wider net, but I do not understand what the consequences of it will be. That is what concerns me. I cannot clearly get a grip on it. The Democrats have attempted in our amendments to section 38 to deal with the definitional problem in our own way, and we will come to that discussion later. Of course we think that is a good outcome.

Minister, in Senator Brown's amendment there is a list of definitions from (a) to (p). I doubt if you will be able to advise me because I would not be able to, but I wonder if your advisers would be familiar with which of those already fall properly within the definitions of charitable organisations and which do not—there are 16 listed there—so that we can understand where the problems are within the 16 and the range of difficulties which you have been trying to outline in your response to Senator Margetts's questions.