



Future foundations for giving

What is in the philanthropy draft report for charities?



Charities support people's social and economic participation and contribute to community wellbeing.

Governments support charities in many ways, including by giving a **tax deduction** to people who make donations to charities with deductible gift recipient (DGR) status.

The Commission finds policies could better support charities to access philanthropy:

The DGR system is **poorly designed and overly complex**, and excludes many causes without a coherent policy rationale.



The Australian Charities and Not-for-profits Commission (ACNC) **lacks powers to transfer assets held by charities** that are dormant, to active charities.



This means donated funds in dormant charities are unavailable to fund services that benefit the community.

Charities can **face challenges accessing philanthropy**



because of their size, location and nature of their activities.

This could inhibit specific groups or communities that these charities serve from accessing quality services or support.

The Commission's draft report:



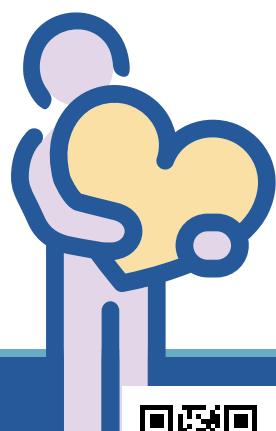
Recommends a **simpler and more consistent DGR system** that is accessible to a broader range of charities (draft recommendation 6.1).



Recommends **providing greater clarity about the application of charity law** by introducing test case funding, a binding rulings scheme (draft recommendation 7.3) and a legislated definition of a public benevolent institution (draft recommendation 6.2).



Is seeking views on options to **enable the ACNC to direct unused or surplus charity assets for use by eligible active charities** (information request 7.1).



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