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Victorian Liberal Nationals Coalition Media Release

Friday 30 July 2010

CHARITABLE TAX LAWS FAIL BUSHFIRE SURVIVORS

Outdated tax laws continue to hinder the rebuilding and recovery effort in many bushfire-affected communities, Shadow Minister for Bushfire Response and Leader of The Nationals Peter Ryan told Parliament this week.

“The Victorian Liberal Nationals Coalition wrote to the Premier and Prime Minister in April 2009 to alert them to problems with the Federal Government’s charitable tax laws,” Mr Ryan said.

“Many businesses and secondary home owners have been unable to access any of the \$391 million donated to the Victorian Bushfire Appeal Fund simply because current tax laws threaten the charitable status of the Fund if grants are not made for ‘charitable purposes’.

“Australia’s outdated laws on charitable funds are still based on the Statute of Elizabeth which was enacted in England in 1601. It is a dreadful aberration that some Victorian bushfire victims are missing out on public donations because of a 400-year-old English statute.

“Even the English have addressed this anomaly. In 2006 they introduced new laws repealing the Statute of Elizabeth and broadening the definition of ‘charitable purposes’. The awful irony is that if the current English law applied in Australia all bushfire victims would be entitled to share in the Fund.

“The Coalition has repeatedly urged the Prime Minister to amend federal charitable tax laws or to enable the Australian Tax Office to make a special ruling that would allow Fund money to go to bushfire survivors, but the Brumby and Rudd/Gillard Governments have failed to act.”

Mr Ryan said people generously donated to the Bushfire Appeal Fund on the understanding their money would help everybody affected by the Gippsland and Black Saturday bushfires.

“There is a large group of people who have been completely disenfranchised as a result of the ridiculousness of Australia’s charitable laws as they presently stand,” Mr Ryan said.

“These laws need to be amended and I call on John Brumby to urge the Rudd/Gillard Government to address the issue as a matter of urgency.

“In the days following Black Saturday, former Prime Minister Kevin Rudd told these people who had suffered losses that they would be supported by government and that we would see the rebuilding of properties ‘brick by brick’ and ‘street by street’.

“That is what these people were told but the harsh reality is the Brumby and Rudd-Gillard governments have failed bushfire survivors by not making the changes needed to Australia’s charitable laws,” Mr Ryan said.

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