



ACT
Government

STREAMLINING REGULATION FOR CHARITIES IN THE ACT

CHIEF MINISTER, TREASURY
AND ECONOMIC DEVELOPMENT
DIRECTORATE

MARCH 2017

The ACT Government is committed to making it easier for community organisations and charities in the ACT to deal with government so that they can have more time to focus on delivering services to the community.

To achieve this, we are proposing to pursue regulatory reform in two stages:

1. The first stage is to remove duplication between Commonwealth and ACT legislation for ACT incorporated associations registered with the Australian Charities and Not-for-profit Commission (ACNC).
2. The second stage will explore whether there are further changes we can make to simplify processes for all incorporated associations and charitable collection licence holders registered in the ACT.

STAGE 1: ACT CHARITIES REGISTERED WITH THE ACNC

An ACT Government priority is to address duplication between ACT regulation and Commonwealth regulation for charities. The ACT Government has previously announced it would carve out charities from ACT legislation. It is proposing to amend the *Associations Incorporation Act 1991* and the *Charitable Collections Act 2003* to make this happen from July 2017.

We are seeking feedback from ACT incorporated associations and charitable collection licence holders that are registered with the ACNC on the proposed changes to ACT legislation:

- ▶ we want to know the specific changes we are proposing will work and will remove duplication with the ACNC.
- ▶ we also are interested in what you need as part of the communication and implementation of these changes for your organisation and members.

Proposed Changes – Associations Incorporation Act 1991

ACT incorporated associations registered with the Australian and Charities Not-for-Profit Commission will:

1. be exempt from **Part 5** of the Act – **Accounts, Audit and Annual Returns**

This means that, if the legislation passes, ACNC-registered charities in the ACT will only be required to provide annual reports to the ACNC from July 2017, including for their 2016-17 return.

These charities are already required to meet the governance standards and reporting requirements in Commonwealth legislation.

ACT incorporated associations registered with the Australian and Charities Not-for-Profit Commission will:

2. be exempt from **section 62 (3)** of the Act – **notice of changes in committee.**

It is proposed to also amend **section 122** of the Act – **Service of documents** to include the option of **Address for service** as notified from time to time by the association to the ACNC.

ACT incorporated associations registered with the Australian and Charities Not-for-Profit Commission will:

3. be exempt from **section 121– Registered office of incorporated association.** ACNC charities will not need to notify the ACT regulator of changes in registered office, if they have one.

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ACNC charities are required to provide the ACNC with an address for service, which the ACT regulator will use if required.

It is also proposed to replace the requirement to notify the place of register in the annual return (section 67(2)) with a requirement to make the register available for inspection at reasonable times and at a place nominated by the association.

Proposed Changes – Associations Incorporation Act 1991 Fees

There is also a proposal to remove the following fees for all incorporated associations in the ACT from 2017-18:

1. Lodgment of annual statements
2. Change of public officer or committee details

Proposed Changes – Charitable Collections Act 2003

Charities registered with the Australian and Charities Not-for-Profit Commission will be:

1. exempt from **sections 14 (2) and 15 (1) (b)** of the Act – if they are registered with the ACNC, they will not be required to be licensed under the Charitable Collections Act or provide reports to the ACT.

STAGE 2: OTHER REFORM OPPORTUNITIES

The first stage is focused on addressing duplication for charities registered with the Australian Charities and Not-for-Profit Commission.

We are aware that there is a range of other regulatory issues for associations and fundraising in the ACT, including the conduct of street collections that is worth considering further. We want to hear from you on ways that it would be easier to engage with the ACT Government and issues for further reform.

HOW TO PROVIDE FEEDBACK

Stage 1: Feedback on proposed legislative changes for ACNC charities

Please let us know if these changes will work for your organisation or if you have any questions that you would like to discuss further. We are happy to meet with you to discuss the changes.

Our contact details:

Email: RegulatoryReform@act.gov.au

Phone: 02 6207 6614

Timeframe: 28 April 2017

We are keen to have the new arrangements in place by July 2017 so that organisations will only have to report to the ACNC from 2017-18. It is expected that the necessary legislative amendments will be introduced as part of the Red Tape Reduction Legislation Amendment Bill 2017 before April 2017.

The closing date for feedback is **Friday 28 April 2017** to provide time for organisations to consult internally and consider the bill.

It is proposed to hold a joint roundtable with the ACNC on **18 May 2017** to discuss the proposed legislative changes, as well as implementation and communication of the new arrangements.

To register your interest and any issues you'd like to discuss at the roundtable, please email us at regulatoryreform@act.gov.au by **Friday 28 April 2017**

Stage 2: Other Reform Opportunities

If you have other ideas for streamlining regulation of incorporated associations and charitable collections, please email us at regulatoryreform@act.gov.au.