

IMPORTANT PHILANTHROPIC TAX LAW REFORMS PASS THROUGH PARLIAMENT

The Assistant Treasurer, Senator Nick Sherry has today welcomed the passage through the Senate of important tax law reforms.

The *Tax Laws Amendment (2009 Measures No. 4) Bill 2009* was passed without amendment and contains important reforms to the regulation of philanthropic funds, boosts access to the Research and Development (R&D) Tax Offset and provides capital gains tax (CGT) relief to certain demutualising friendly societies.

"This legislation is another step forward in updating and maintaining our tax system," said the Assistant Treasurer.

One key measure will see an overhaul of the regulation of private philanthropic funds.

Now to be referred to as private ancillary funds (previously prescribed private funds), the administration of these important philanthropic vehicles will now move under the authority of the Commissioner of Taxation.

In addition, the Treasurer will be given the power to make legislative guidelines and the Commissioner will be given the power to impose administrative penalties on trustees who fail to comply with the guidelines and to remove or suspend trustees of non-complying funds.

"This honours the Rudd Government's 2008 Budget commitment to improve the integrity of such funds and to provide the trustees with greater certainty as to their philanthropic obligations," said the Assistant Treasurer.

The Bill contained several other measures and can be accessed in full at www.aph.gov.au.

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