



**Comments on the Tax Laws Amendment (2010 Measures No. 3)  
Bill 2010: Gifts to Fire Brigades**

The proposed amendments to the Income Tax Assessment Act are supported by the NSW Rural Fire Service (RFS) in that:

- they allow extension of DGR status to all volunteer rural fire brigades that seek to receive and receipt tax deductible donations;
- they allow the NSW RFS to seek DGR status endorsement by the Commissioner of Taxation, if required; and
- they allow for the establishment of a centralised public fund with DGR status into which rural fire brigades, that don't want the associated administrative burden of maintaining their own public fund, can deposit tax deductible donations.

Implementation of the changes will require extensive consultation with and support of volunteer brigades to ensure they understand the legislative changes and what it means to their operations. The assistance of Treasury and/or ATO officers may be helpful as part of a team including NSW RFS and Rural Fire Service Association staff to assist brigades implement the changes.

One concern the NSW RFS has for those brigades electing to establish a public fund is the requirement to maintain a separate bank account. Brigades undertake a range of fundraising activities. Some brigades may only attract small amounts in tax deductible donations placing an additional administrative burden which will not be welcome by many of the brigades or their local banks. This would be mitigated if a single bank account can be maintained and separate accounting implemented for tax deductible donations received.

A further issue for the NSW RFS is the potential loss of its PBI status. The services provided by the NSW RFS and its brigades are of a public benevolent nature. These services are not solely focussed on fire prevention, suppression and recovery, but also include management of hazards material, emergencies and rescue assistance at other community emergencies.

Continuation of its PBI status will enable the Service to continue to access considerable tax concessions which will facilitate limited available resources being most appropriately directed to the provision of equipment, training and other services for volunteers.



John Gregor  
**Chief Financial Officer**