

**RFSA**

Rural Fire Service Association

NSW Rural Fire Service Association Incorporated  
www.rfsa.org.au  
headoffice@rfsa.org.au  
ABN 65 291 969 153

PO Box 845, PENRITH BC NSW 2751  
Phone 02 4722 2122  
Fax 02 4722 2144

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Senator the Hon Nick Sherry  
Assistant Treasurer  
PO Box 6022  
Parliament House  
Canberra ACT 2600

Dear Senator Sherry

### **Deductible Gift Recipient (DGR) Status of Volunteer Fire Brigades**

I refer to the exposure draft released for comment by you on 4 May 2010 of the proposed legislation extending deductible gift recipient (DGR) status to all volunteer fire brigades and other entities. I am pleased to provide this response on behalf of the members of the NSW Rural Fire Service Association, the 70,000+ volunteers and staff of the NSW Rural Fire Service

The Association is of the view that the exposure draft generally addresses the key concern raised with you in my letter of 24 March 2010, by extending DGR status to all volunteer brigades and allowing each the option of managing this in either a centralised or decentralised way.

The Association continues to believe, as indicated in my letter of 24 March 2010, that a centrally administered fund similar to the system currently operating in Victoria would be ineffective in New South Wales because of the decentralised structure based on brigades.

The Association therefore is pleased to support this central aspect of the exposure draft legislation. However, the Association believes that extensive consultation will be necessary during the implementation stages of the amended legislation, in order to ensure that brigades fully understand and appreciate the requirements of the legislation. The Association has already indicated to the Rural Fire Service that it will assist in this regard. The assistance of Treasury officers and/or officers of the ATO may also be sought in due course.

However, it is of significant concern to the Association that the exposure draft legislation could reasonably be seen to preclude State based volunteer firefighter associations, such as the NSW Rural Fire Service Association, from successfully applying for DGR status (and may indeed put at risk the status of such associations which currently hold DGR status).

The Association remains strongly of the view that these proposed legislative changes must also extend DGR status to volunteer firefighter Associations, such as ours, so that we are better able to service our members and support them in protecting the lives and property of the people of New South Wales.

The Association is also of the view that:

- The definition of a Public Benevolent Institution (PBI) should continue to incorporate volunteer based organisations, such as the NSW Rural Fire Service within the Emergency Services Sector; and
- Any definitions relating to Charities and PBIs should facilitate the establishment of administrative and legal processes that positively encourage the retention and development of volunteerism in Australia.

The services provided by the Rural Fire Service and its brigades are of a public benevolent nature. These services are not solely focused on fire prevention, suppression and recovery, but also include management of hazardous material, emergencies and rescue assistance at other community emergencies.

In addition, volunteers are involved in community awareness and education, and local emergency planning. The services provided by brigades vary according to risks faced by their communities but usually include prevention activities (often locally funded) and establishing response and readiness capabilities.

Such an endorsement of PBI status will enable the relevant authorities to continue to access considerable taxation concessions which will facilitate limited available resources being most appropriately directed to the provision of equipment, training and other services for the volunteers.

I would appreciate the Association's position being taken into account in the review of the exposure draft legislation. I have taken the liberty of referring a copy of this letter to the Manager, Philanthropy and Exemptions Unit, Personal and Retirement Income Division, of the Treasury as requested.

On behalf of the Association, I would like to thank you for your work in resolving this matter, which has been of considerable concern to our members over a number of years. Please do not hesitate to contact me should you require any further information about the Association's position.

Yours sincerely



Peter Olah  
**Executive Director**

cc. Manager, Philanthropy and Exemptions Unit, Personal and Retirement Income Division,  
Treasury