

Australian Charities and Not-for-Profits Commission: *Bill Passes through Senate & House of Representatives*

Not for Profit Update

Commencement of the ACNC

The Australian Charities and Not-for-Profit Commission ("ACNC"), the new Commonwealth regulator for the Not-for-Profit ("NFP") sector, was set to commence operations on 1 October 2012. However, due to a series of amendments to the enabling legislation (the Australian Charities and Not-for-Profit Commission Bill 2012 ("Bill")) the commencement date was delayed.

Status of the enabling legislation

On 31 October 2012, the Senate passed amendments to the Bill.

These amendments included the introduction of provisions which:

1. ensure that NFP organisations are not prohibited from advocating for or supporting reform, provided that their comments or advocacy further the purpose of the organisation; and
2. require consultation between the Commonwealth and the NFP sector before introducing new governance standards and external conduct standards for NFPs.

The Senate's proposed amendments did not otherwise affect the overall structure of the original Bill.

On 1 November 2012, the amended Bill was passed in the House of Representatives.

What this means for charitable entities

The passing of the final Bill paves the way for the ACNC to begin its operations. It is proposed that the ACNC will commence in early December.

Who does this affect?

All not-for-profit organisations and charities.

Article Highlights

- New charities must register with the Australian Charities and NFP Commission from early December 2012
- Not-for-profits can singularly satisfy their reporting obligations across all government departments and agencies via the ACNC.



Upon commencement, the ACNC will be responsible for (amongst other things):

1. determining charitable and public benevolent institution status for all Commonwealth law purposes;
2. registering charities (including Public Benevolent Institutions) and maintaining the charities register;
3. providing education and support to the NFP sector; and
4. implementing and monitoring the "report-once use-often" general reporting framework for charities.

In order to prepare for the commencement of the ACNC, we recommend that you ensure that your NFP organisation's governing documents are current and correctly reflect the objects of the organisation.

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