



MEDIA RELEASE

Monday 6 April 2020

Philanthropy Australia welcomes reduced threshold for charities to access JobKeeper Payment

Philanthropy Australia has welcomed the Federal Government's support for charities, with the announcement of proposed changes to enable all charities with a turnover decline of 15% or more to access the JobKeeper Payment.

Last night, Federal Treasurer Josh Frydenberg announced that the Government will introduce legislation into Parliament on Wednesday which will see all registered charities, including those with a turnover of more than \$1 billion, become eligible for the JobKeeper Payment if they have a turnover decline of 15% or more.

This positive development follows on from the Government's decision to expand the Economic Response to Coronavirus to include charitable organisations, after initially announcing in March that the stimulus package would only be available to businesses.

Philanthropy Australia CEO, Sarah Davies, has welcomed the reduced threshold as another step in the right direction, and much-needed financial support for charities during this difficult time.

"The not-for-profit sector is facing an extreme set of challenges, responding to the economic and health realities of the COVID-19 pandemic, immediately after supporting the country through a summer of trauma and tragedy," Ms Davies said.

"The sector is already feeling the acute impact of the crisis on the charitable front line, with thousands of jobs and volunteers having been lost across the sector already.

"Philanthropy Australia is committed to working with Government, the philanthropic sector and the not-for-profit sector to help keep charities and for-purpose organisations up, running and empowered throughout the crisis and into the future."

Philanthropy Australia has joined a strong chorus of community voices over the past month, including Australian Council of Social Service (ACOSS,) Community Council for Australia (CCA), and the Australian Council for International Development (AICD), publicly calling for increased, targeted support for charities and not-for-profit organisations.

Philanthropy Australia met with the Assistant Minister for Charities Zed Seselja over recent weeks, putting forward a series of recommendations for the consideration of Government, including decreasing the loss of revenue threshold to 15% for the JobKeeper payment to enable more charities to access the payment, and no change to the regulatory minimum distribution requirements for public and private ancillary funds.

Philanthropy Australia has also recommended providing a 150% tax deduction for any donations to deductible gift recipients (DGR's), and increasing working capital into registered charities by launching an Item 1 DGR's flow through grant pool with matched funding from government and philanthropy, and by establishing a Loan facility/fund for registered not-for-profits.

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Philanthropy Australia is the peak body of philanthropy, serving a community of funders, social investors and social change agents working to achieve positive social, cultural, environmental and community change by leveraging their financial assets and influence. www.philanthropy.org.au
