

2007/01

February 2007

Charities Registration - what's in it for us?

The Charities register opened on February 1 this year – and all organisations who are involved in charitable activities will be gearing up to consider registering before July 2008, when the legislation will change so that existing IRD tax exempt status will no longer apply.

This is the culmination of years of work and interest in issues about registering charities in NZ, and is of great ongoing interest to us here at the NZ Federation of Voluntary Welfare Organisations. Since the 1980s we have been involved in several rounds of discussion about the need for greater transparency about charitable activities, more consistent information and advice about the processes of becoming a charity, improved tax rebate for charitable donations, and quantifying and defining the charitable sector.

The Charities Commission has been established in response to these discussions, and now we are frequently asked why do we want it? Why should we pay to jump through a set of extraordinarily bureaucratic hoops? What will it do for us?

It is certainly a major bureaucratic exercise for the newly established Commission to create a robust registration process that fits our sector. Organisations present a bewildering array of structures and processes which have developed in response to very diverse circumstances, and developing a simple registration process has turned out to be a demanding process.

Most of us are now going to get involved sometime in the next seventeen months with this bureaucracy, and we are gearing up to examine our constitutions, collect required information and fill in forms. To help with this there is comprehensive information available about these processes in an information pack, at www.charities.govt.nz and at workshops throughout the country over February and March.

There is a larger picture to keep in mind as we navigate through this bureaucracy. The functions of the Commission are much broader than the regulatory process of registering and monitoring charities. They also cover:

- providing education and support to the charitable sector
- promoting public confidence in the sector
- encouraging best practice in governance and management of charitable organisations
- providing advice on matters relating to charities to government
- promoting or undertaking research into matters relating to charities.

Our vision is for the Commission to provide a point of focus for policy and information about the sector, which has never existed before. As an independent body with Commissioners with experience in our sector, it will have teeth and we hope also a very loud bark.

It is our hope that the Charities Commission will provide high visibility, be a strong protector of charities and assist in the growth and development of the sector.

It's a big picture – but along with other research activities in the sector and our increasing trend towards collaboration at many levels, we are aiming for a more visible, better supported and stronger voice for charitable work in New Zealand / Aotearoa. The Charities Register can help in achieving that.

- Tina Reid
NZ Federation of Voluntary Welfare Organisations

Parliament

Introduced

Education (National Standards of Literacy & Numeracy) Amendment Bill

Put forward as a Member's Bill by National's Bill English, this aims to enable parents to be well-informed about students' school and to assess whether remedial action may be required for schools and students whose achievements fall short of national standards. The Bill awaits its first reading.

Mental Health Commission Bill

This extends the terms of the Commission until 2015. It re-states the Commission's functions and adds some more about advising the Minister of Health, promotion and advocacy. The Bill awaits its first reading.

Reported back

Crimes (Abolition of Force as a Justification for Child Discipline) Amendment Bill

Put forward by Sue Bradford, this Bill originally aimed to repeal Section 59 of the Crimes Act. The Select Committee noted 'widespread misunderstanding about the purpose and possible results of the Bill as introduced' and recommended amendments 'for the sake of clarity'.

It suggests that Section 59 of the Crimes Act now read;

- (1) Every parent of a child and every person in the place of a parent of a child is justified in using force if the force used is reasonable in the circumstances and is for the purpose of:
 - (a) preventing or minimizing harm to the child or another person; or
 - (b) preventing the child from engaging or continuing to engage in conduct that amounts to a criminal offence; or
 - (c) preventing the child from engaging or continuing to engage in offensive or disruptive behaviour; or
 - (d) performing the normal daily tasks that are incidental to good care and parenting.
- (2) Nothing in subsection (1) or in any rule of common law justifies the use of force for the purposes of correction.
- (3) Subsection (2) prevails over subsection (1).

Injury Prevention, Rehabilitation and Compensation Amendment Bill

This merges the Employers' Account and the Self-Employed Work Account, thus removing the higher premium rates for self-employed people. The majority of the Committee believes the previous differential rate was unfair. It also merges the reserves built up by the two accounts. The Committee recommends the Bill be passed.

Sale of Liquor (Youth Alcohol Harm Reduction) Bill

This private member's bill was split from the Purchase Age section which was voted down last November. The remnants deal with television advertising and promotion of liquor. The Select Committee suggested amendments clarifying the extent of and exceptions to television broadcast adver-

tising of liquor, particularly those relating to sponsorship and situations where the advertisement originates outside New Zealand and is broadcast live. It affirms the exclusive jurisdiction of the Broadcasting Standards Authority to hear and determine complaints on these matters.

Submissions called for

Criminal Justice Law Reform Bill

This amends the 2002 bail, sentencing and parole acts to 'introduce a range of measures to arrest the sharp increase in the prison population in recent years'. It introduces an explicit hierarchy of sentences and orders and 3 new non-custodial sentences to offer alternatives to imprisonment for less serious offenders where this would be 'appropriate and safe'. It sets up an independent Sentencing Council to produce sentencing and parole guidelines and to keep both MPs and public informed about sentencing and parole practice, policies, reform and decision-making. Submissions close on March 16.

Income Tax Bill

This large Bill consolidates and replaces the Income Tax Act 2004. It sets out taxation treatment for transactions including cross-border transactions, modifies interest deductibility rules and tax treatment of property and financial arrangements between individuals and upon death, and sets some rules for use of imputation credits. It deals with tax avoidance issues, taxation treatment for some individuals and entities and sets rules for tax losses and tax credits. Submissions close March 2.

Social Security Amendment Bill

This 'begins the movement towards a work-focused system by ensuring requirements on benefit recipients are aligned with the significant developments in service delivery and support.' It introduces pre-unemployment benefit activity work-testing requirements, also planning and activity requirements for those on sickness and invalids' benefits and those receiving an independent youth benefit. The current reference to 'hospital care' for those on DPB who care for sick or infirm people is broadened to include other forms of equivalent full-time care. Those eligible for benefits must be New Zealand citizens, ordinarily resident in New Zealand or have lived here continually for at least two years since becoming a NZ citizen or gaining a residence permit. Refugees are excepted. Submissions close March 1st.

Medicines and Funding

The Ministry of Health seeks public feedback on development of a medicines strategy, which includes regulating medicines, seeking understanding of decision-making about funding, setting priorities and deciding who has access to medicines and vaccines. It looks at appropriate and correct use of medicines to achieve health gains, and seeks public views and suggestions on how to promote this. Copies of the paper from www.moh.govt.nz, submissions due by 30 March 2007.

Pharmac is seeking public feedback on how and on what basis it makes decisions for funding high-cost medicines, and whether the approach should be different to the funding of other medicines. More from www.pharmac.govt.nz; submissions close 5 March 2007.

Legislation Update

Legislation	Stage and Progress	Impact
Children, Young Persons & Their Families Amendment (No. 4) Bill	Awaiting second reading. Amended by SOP 261.	Aims to improve youth justice processes, prevent persistent offending. CYFS may assign investigation and care to NGOs.
Crimes (Abolition of force as justification for child discipline) Amendment Bill (Sue Bradford)	Select Committee reported 21 November, suggesting amendments.	Significant changes. See p.2
Criminal Justice Law Reform Bill	Before Justice & Electoral Select Committee. Submissions 16 March 07	Introduces measures to reduce recent 'sharp increase' in prison population.
Criminal Procedure Bill	Passed 2nd reading; awaiting committee stages; amended by SOPs 50, 51	Omnibus bill to improve court efficiency, modify jury system, change double jeopardy rule.
Disabled Persons Employment Promotion (Repeal & Related Matters) Bill	Awaiting second reading. SOP 71 applies.	Ensures people with disabilities in sheltered workshops have the same wage and employment rights as other workers.
Easter Sunday Shop Trading Amendment Bill: Private member's bills, Jacqui Dean and Steve Chadwick	Committee reported 13 December, supporting principle but offering new mechanism. Conscience vote applies.	Grants partial exemption to shops in visitor districts from the requirement to be closed on Good Friday and Easter Sunday.
Education (National Standards of Literacy & Numeracy) Amendment Bill	Private member's bill, Bill English. Awaiting first reading.	Requires publication of agreed national standards of literacy and numeracy, and requires schools to report their progress.
Employment Relations (Flexible Working Hours) Amendment Bill. Private members' bill, Sue Kedgley	Interim committee report considered by Parliament 3 May.	Enables employees with young and dependent children to request part-time, flexible & reduced working hours.
Foreshore & Seabed Act (Repeal) Bill, Private Member's Bill, Tariana Turia	Introduced.	Repeals the Foreshore & Seabed Act and restores previous legislation.
Human Tissue Bill	Introduced.	Regulates supply and use of human tissue & organs and consent provisions.
Human Tissue (Organ Donation) Amendment Bill: Private Member's bill, Jacqui Blue.	Before Health Select Committee. Report due 31 May 2007.	Sets up a register where people can place their legal binding wish (or objection) to be an organ donor; promotes donation.
Income Tax Bill	Submissions close 2 March 07.	Rewrites and consolidates existing Act.
Injury Prevention, Rehabilitation & Compensation Amendment Bill	Reported back. See p.2	Merges self-employed and general work accounts.
Justices of the Peace Amendment Bill	Before Law & Order Committee. Report due 16 March 07.	Standardises JP training and introduces disciplinary regime.
Mental Health Commission Amendment Bill	Submissions to the Health Committee close 31 March 07.	Extends Commission's term to 2015 and changes some Commission tasks.
New Zealand Day Bill Private Members' Bill, Peter Dunne	Before Justice and Electoral Committee. Report due 28 Feb 2007.	Replaces Waitangi Day with a New Zealand Day.
Oaths Modernisation Bill	Awaiting second reading.	Modernises the language used in oaths.
Official Information (Openness of DHBNZ) Amendment Bill. Private Member's Bill, Jackie Blue	Submissions to Health Committee closed. Report due 31 May 2007.	Amends Official Information Act to ensure access to official information held by DHBs and entities representing more than one DHB.
Principles of the Treaty of Waitangi Deletion Bill Private Member's Bill, Doug Woolerton	Before Justice & Electoral Select Committee. Submissions closed 20 October.	Eliminates all references to "the principles of the Treaty", "the principles of the Treaty of Waitangi" and the "Treaty of Waitangi and its principles" from all New Zealand Statutes
Property Law Bill	Submissions called for by 28 February 2007.	Consolidates and clarifies property law, and deals with some common law anomalies.
Sales of Liquor (Youth Alcohol Harm Reduction) Amendment Bill	Select Committee reported 20 October	Clarifies restrictions on and oversight of TV broadcast advertising of liquor.
Social Security Amendment Bill	Submissions to Social Services Committee due 1 March. See p.2	Introduces pre-benefit planning and activity requirements for benefit applicants.
Succession (Homicide) Bill	Report from Justice & Electoral Committee due 9 April 2007.	Defines who may not benefit from an unlawful killing.
Wills Bill	Report from Justice & Electoral Committee due 9 April 2007.	Restates law in plain English, removes some anomalies & defines circumstances
Young Offenders (Serious Crimes) Bill – private member's Bill, Ron Mark	Before Law & Order Select Committee; submissions closed. Report due 29 March 2007.	Makes 10-14 year olds who commit 'serious offences' subject to Youth Court.

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