

EXPLANATORY STATEMENT

Issued by authority of the Assistant Minister to the Treasurer, Parliamentary Secretary to the Treasurer

Australian Charities and Not-for-profits Commission (Consequential and Transitional) Act 2012

Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018

The *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Act 2012* (the Transitional Act) provides rules to enable an orderly transition from the administration of charities under the tax legislation to their administration under the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act).

Section 4 of the Transitional Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Transitional Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Transitional Act.

The purpose of the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018* (the Regulations) is to amend the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Regulation 2016* (the Regulation) to reduce the regulatory burden on a transitional basis for entities (registered entities) registered with the Australian Charities and Not-for-profits Commission (ACNC). The Regulations do this by extending a transitional concession provided by the Transitional Act so that it applies to the 2017-18 and 2018-19 financial years. The transitional concession allows registered entities to submit financial reports produced for an Australian government agency to meet certain ACNC Act reporting obligations.

The changes do not affect the substantive meaning or operation of the provisions. Further details of the Regulations are set out in [Attachment A](#).

The Transitional Act did not specify any conditions that were required to be satisfied before the power to make the Regulations was exercised.

Targeted consultation on the Regulations was undertaken with the ACNC, however, pursuant to section 17 of the *Legislation Act 2003*, no public consultation was undertaken on the Regulations as they are minor and machinery in nature.

The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations commenced the day after registration on the Federal Register of Legislation.

A Statement of Compatibility with Human Rights is at [Attachment B](#). The Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

Attachment A

Details of the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018*

The attachment sets out further details of the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018* (Regulations).

Section 1 – Name of Regulations

This section provides that the title of the Regulations is the Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018.

Section 2 – Commencement

This section provides that the Regulations commence the day after this instrument is registered.

Section 3 – Authority

This instrument is made under the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Act 2012* (Transitional Act).

Section 4 – Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 – Amendments

Statements, reports and other documents given to other Australian government entities

The Regulations extend a transitional concession that allows registered entities to lodge with the Australian Charities and Not-for-profits Commission financial reports produced for an Australian government agency and have the reports satisfy certain *Australian Charities and Not-for-profits Commission Act 2012* reporting obligations. The extension of the transitional reporting concession provided by the Transitional Act applies to the 2017-18 and 2018-19 financial years for the purposes of paragraph 10(4)(d) of Schedule 1 to the Transitional Act. *[section 5]*

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The purpose of the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Amendment (Reporting) Regulations 2018* is to reduce the regulatory burden on entities registered with the Australian Charities and Not-for-profits Commission (registered entities). It does this by extending a reporting concession provided by the *Australian Charities and Not-for-profits Commission (Consequential and Transitional) Act 2012* to the 2017-18 and 2018-19 financial years.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.