

Australian Government  
Productivity Commission  
Karen Godfrey

Wednesday, 17 January 2024

Dear Karen,

RE: Productivity Commission 'Future foundations for giving' draft report

I have carefully reviewed the preliminary report and found it to be of great interest. While there are commendable findings and recommendations within, my primary apprehension arises from the proposal to eliminate deductible gift recipient (DGR) status for non-governmental entities such as primary & secondary schools, childcare, aged care and other religious organisations as listed in Chapter 6 of the Draft Recommendations.

This issue is particularly troubling for me as my children will be attending an independent school that relies on DGR status for support. At a time when the cost of living is placing unprecedented pressure on households, I am concerned that the removal of DGR status could result in a significant reduction in donations. This, in turn, will likely force schools to increase tuition fees to compensate for the lost income, as there would no longer be tax benefits for businesses or individuals contributing to the school.

My fear is that if the government chooses to adopt this recommendation, families like ours may be compelled to send their children to local public schools, which are already facing issues of overcrowding. Such a shift could potentially hinder the quality of their learning experience and impede their academic potential.

I urge you to take my concerns into careful consideration, as I believe our family is not alone in facing the potential consequences of this proposed change.

Regards,

Reuben Jensen