

## ***Associations Incorporation Amendment Bill 2016 (Tas)***

Please be advised that the *Associations Incorporation Amendment Bill 2016* (Tas) (the **Bill**) passed its third reading in the Upper House on 2 June 2016 and is currently awaiting Royal Assent. The Bill amends the *Associations Incorporation Act 1964* (Tas) (the **AIA Act**) and is due to commence on 1 October 2016.

The main objective of the Bill is to reduce the regulatory burden on Tasmanian incorporated associations who are also registered under the Commonwealth's Australian Charities and Not-for-profit Commission (the **ACNC**).

The Bill amends section 24 (Accounts and audit) of the AIA Act to provide that an incorporated association is exempt from complying with the audit requirement if the revenue of the registered entity for that financial year is less than \$250,000. This will free registered incorporated associations from the requirement of providing duplicate financial reports to both the ACNC and the Commissioner for Corporate Affairs (the **Commissioner**), the Regulator of the AIA Act.

Section 24B (Annual returns) will also be amended to provide that an incorporated association will not be required to provide an annual return for a financial year to the Commissioner if the incorporated association:

- is a registered entity, within the meaning of the *Australian Charities and Not-for-profits Commission Act 2012* of the Commonwealth, for all or part of the financial year; and
- has, in respect of the financial year, complied with the financial and reporting requirements of that Act.

Despite the changes, the Commissioner will still be able to request a copy of an annual financial report given to the ACNC as necessary. An incorporated association to which an exemption applies will have 30 days to respond to a request, and failure to comply with the request carries a penalty of fine of 20 penalty units.

Harmonising the financial requirements of the ACNC and the AIA Act will remove unnecessary administrative burden on many charitable organisations, however, incorporated associations with less than \$250,000 annual revenue who are not registered with the ACNC will continue to be required to prepare and submit annual financial reports to the Commissioner.

Please [click here](#) to access the Bill.

## **Contact**

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