



MEDIA RELEASE
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AID/WATCH charity case goes to the High Court of Australia

Today the small overseas aid monitoring group, AID/WATCH, lodged an application to the High Court of Australia to reclaim its charitable status.

“We are determined to take this case to the High Court to reclaim AID/WATCH’s charitable tax status”, said Dr James Goodman of the AID/WATCH Committee of Management.

Last month the Full Federal Court confirmed that the Australian Tax Office (ATO) could remove AID/WATCH’s charitable status on the grounds that AID/WATCH tries to influence the administration of Australian Government overseas aid programs. AID/WATCH is now seeking Special Leave to Appeal to the High Court, to overturn the Federal Court judgement.

Dr Goodman said: “This case has sparked widespread concern across the charitable sector.

“By stating that charities cannot be directed at engaging in public debate, and influencing governments, this judgement imposes a restrictive definition of charitable status.

“The ATO disqualified AID/WATCH as a charity in 2006 and it hit us hard. AID/WATCH Annual Reports show that this decision has caused a drop in grants from foundations. AID/WATCH now relies on donations, but remains financially independent of government and business.

“Winning back our charitable status is vital if we are to do the important job of monitoring the Australian overseas aid program’.

“We could not appeal to the High Court without the support of the charitable sector. For a small organisation, taking this on alone, the risks are too high. But for the charitable sector, letting this judgement stand unchallenged, is unthinkable”, said Dr Goodman.

Other major charities have expressed serious concern about the implications of the Federal Court judgement, and have encouraged AID/WATCH to pursue the appeal. A number have pledged to help AID/WATCH pay any costs that may arise from deciding to go ahead with the appeal to the High Court.

The judgement comes as the Productivity Commission, in its Draft Report on the Not For Profit Sector, released last week, recommends that Government pass legislation to clarify the definition of charitable status, and specifically, that charities can engage in public debate.

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