Federal

Tax minimisation

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## Tax breaks boom for major art donations

## **Tom McIlroy** Political reporter



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Rich Listers, philanthropists and wealthy Australians have banked tax deductions for more than \$200 million in donations to <a href="major cultural institutions"><u>major cultural institutions</u></a> [<a href="https://www.afr.com/link/follow-20180101-p5alne"><u>https://www.afr.com/link/follow-20180101-p5alne</u></a>], as galleries, museums and libraries received more than 1250 new items in two years.

Australia's Cultural Gifts Program (CGP), administered under income tax assessment laws for four decades, gives tax deductions in exchange for approved donations of visual and decorative arts, Indigenous arts, cultural items and scientific artefacts.



National Gallery of Victoria boss Tony Ellwood and curator Donna McColm Louis Trerise

Donations worth \$204.6 million went to 196 institutions in 2019 and 2020. The median value of items donated in the period was \$31,500 and 80 per cent had values of less than \$100,000 according to federal government figures.

Collectors and wealthy benefactors are behind many of the donations, which included more than \$20 million worth of items given to regional and remote galleries and museums.

Artists and creators donated nearly \$30 million worth of items in the past two years.

Among high-profile recent donations are Patricia Piccinini's *Skywhale* [https://www.afr.com/link/follow-20180101-p56zil] hot air balloon, given to the National Gallery of Australia, works by Arthur Boyd and Max Dupain to the National Portrait Gallery and painting *Jabanunga aka Goorialla (Rainbow Serpent)* by East Kimberley artist Rover Thomas, given to the National Museum of Australia.

The Australian Financial Review reported concerns about the \$1.2 million painting this month, as experts described it as vastly overvalued, lacking secure artistic provenance and suggested it should not have been accepted. [https://www.afr.com/life-and-luxury/arts-and-culture/national-museum-to-investigate-1-2m-rover-thomas-donation-20220311-p5a3tt]

Melbourne's National Gallery of Victoria has received works by artists including David Aspden, Tony Coleing, Michael Johnson and Rollin Schlicht, linked to a seminal 1968 exhibition *The Field*.

Annual reports reveal donor Michael Machin and his family gave the four paintings and three sculptures to the NGV last year.

Assistant director Donna McColm said the items could only be acquired through donations.

Administered by the Department of Infrastructure, Transport, Regional Development and Communications – which has responsibility for arts policy – the program requires items to be of significant cultural value and of quality appropriate for major collection institutions.

"Not only are the works incredible but they also have an incredible connection to the history of the NGV itself," Ms McColm said. "So often works like that may be in private collections. People build their collections in lots of different ways. So it is quite wonderful when a donor comes out and contacts and institution to say 'would this be of interest?'



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https://www.afr.com/politics/federal/treasures-of-the-national-portrait-gallery-revealed-20220311-p5a3sl

"Their circumstances might have changed or they might have decided that the artwork really belongs in a public setting for everyone to enjoy and appreciate. That's why I think the Cultural Gifts Program is so extraordinary.

"The work of public institutions is all the stronger when more people can see important pieces of art.

National Library of Australia director-general Marie-Louise Ayres [https://www.afr.com/link/follow-20180101-p552s6] said the CGP enriched institutions through the acquisition of items that may ordinarily have been held only by a single person or kept in private collections.

The library has acquired the personal papers of prominent Australians including playwright David Williamson, author Mem Fox and former Greens leader Bob Brown through the program, as well as items connected with business leaders, scientists, philosophers, artists, writers, photographers and economists.

"Such acquisitions can lead to greater understanding of the cultural items themselves, as well as their greater cultural and societal significance," Dr Ayres said.

<u>Tom McIlroy</u> reports from the federal press gallery at Parliament House. *Connect with Tom on Twitter. Email Tom at thomas.mcilroy@afr.com*