



PRIME MINISTER

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FURTHER INCENTIVES FOR THE ARTS

The Prime Minister, Mr Malcolm Fraser, said today that the Budget decision to liberalise existing taxation concessions on gifts to public art galleries, libraries and museums was a significant step for art in Australia.

In the past a person could claim on a gift only if he had acquired it in the last twelve months, or if it was cash.

The twelve months test will now be removed. This move will encourage owners of older collections of art works to make gifts to public galleries.

The amount allowable as a deduction will generally be the market value of the gift at the time it is donated instead of the lesser of purchase value or market value. It is hoped that these reforms will increase and diversify arts patronage by the community.

The Prime Minister said that by taking this action the Government had removed the single most significant factor which had been holding back the development of public gallery collections.

Mr Fraser stressed the benefits in particular to State and Regional galleries and hoped that the States might act to remove remaining barriers to increased private patronage.

Legislation to effect the new arts incentive scheme will be introduced this session of Parliament. The new tax provisions will come into operation for a trial period of three years on 1 January, 1978. The scheme will come under the responsibility of the Minister for Administrative Services. Further details will be announced later.