



## Background

The 168<sup>th</sup> Annual Session of Synod in 2022 resolved:

41 MOTIONS WITHOUT NOTICE – arising from Item 13

41.1 Moved by The Venerable David Bassett

Seconded by The Rev'd Dr Steven Ogden

*That this Synod asks Diocesan Council to review the calculation methodology for parish assessments, and to report to the next session of Synod.*

This resolution followed an earlier debate in Synod to consider *Amendment to Motion 15.3*:

*“The Synod adopts the estimate of Diocesan Expenses for the 2023 year and the rate of assessment rates of*

- Every parish with Assessable income less than \$45,000 a rate of 10.00% of assessment*
- Every parish with Assessable income in excess of \$45,000 will be required to contribute \$4,500 plus a rate of 16.00% of assessment of Assessable income in excess of \$45,000”*

*Moved by The Rev'd Stephen Bloor*

*Seconded by the Rev'd David Covington-Groth*

This amendment motion was **lost**.

Following consideration and endorsement by Diocesan Council at its meeting in July, this is the report on the review of calculation methodologies requested by Synod.

## Our Current Approach

The current approach to assessment is governed by the Assessment Ordinance 1985 and the Deductions Policy.

The principle is that parishes contribute to meeting the expenses of the Diocese on an equitable basis. The current approach to equity is assessment at a flat percentage of parish income – currently 14%.

Further, the Synod has determined that there be allowable deductions to encourage initiatives consistent with our vision. Those allowable deductions are set out in the Deductions Policy and are broadly to support the following priorities:

1. Encouraging Growth through mission activities.
2. Support for Parishes undertaking Diocesan functions.
3. Maintenance of Property.

## What do other Diocese do?

Below you will see a table setting out a summary of the assessment rates and approaches of the other metropolitan dioceses and some of the major regional dioceses. You'll note that in Southern Queensland (Brisbane) assessment is voluntary. That is historical and largely because the structure of the Diocese there is different – the schools are owned by the Diocese – they are system schools, and Anglicare remains within the diocesan organisation. As well there are significant land holdings and investments, which means that the diocese is a much more 'commercial' operation than perhaps others. The same is largely true for Newcastle.

Apart from that outlier, you will notice assessment levels are similar to or higher than Adelaide. In addition, you will notice that Perth, Sydney and Tasmania assess **asset** income (from property and investments) higher than **giving** income. Almost all have similar deduction policies to encourage things like maintenance, children and youth ministries, curacy and donations to external mission.

Diocese	Rate
Adelaide	14%
Brisbane	voluntary
Melbourne	11% of first \$70K, 16% thereafter Including property sales & bequests
Perth	15% Giving 35% Commercial income - property 15% Rectory Rents & Investments
Sydney	8% net operating receipts 2% Church land acquisition levy Plus 7% Property income levy if >\$50,000pa
Tasmania	13% giving 23% rents, interest, dividends - including proceeds from sale of investments
Newcastle	<\$100k \$6,000 \$100k-200k \$6,000 + 6.5% >\$200k \$12,500 + 8%
Armidale	11.25%
Canberra / Goulburn	13%
Gippsland	12%

### Alternative Calculation methodologies

There are five alternative approaches which we might consider:

1. No change – a flat rate, which means those with higher incomes simply pay more
2. “progressive tax” - those with a higher income pay a higher rate (similar to the ATO’s progressive PAYG principle)
3. “wealth tax” - where income from property and investments is assessed at a higher rate than giving
4. “flat tax” - where no deductions are allowed
5. “central services tax” - where the Synod office provides more central services and assessments are higher.

I will now deal with each of these five in more detail:

#### 1. No change - a flat rate with deductions

The advantage of keeping our current approach is that we are all used to it, it is pretty simple, it is intrinsically fair on the basis that the more you earn the more you pay but the rate is the same, and the deductions encourage good stewardship and mission activity.

## 2. Progressive approach

A good example of this would be the proposal put forward at Synod in 2022 in the amendment moved by Reverend Stephen Bloor. For simplicity I will refer to this as the 'Bloor Method'. The proposal was that all parishes are assessed at 10% for the first \$45,000 of income and at 16% thereafter.

Please refer to **Appendix 1** for how this would impact each parish (based on 2021 acquittals which are the most up to date at the time of writing), whilst still raising the same assessment in total. Delta means change or difference. **Red** means the parish would pay more than they do currently.

The Bloor method results in 22 parishes being worse off and 36 being better off – but not by very much really. One could argue that in the context of the overall costs of running a parish, these relatively modest changes aren't going to have an impact on long term viability.

## 3. Wealth tax

This is looking at the principle of assessing giving differently from property and investment income as practised in Perth, Tasmania and Sydney.

The rationale for this might appear logical: a key tenet of our polity is that a parish should be able to support its minister(s) through giving. We want to encourage good ministry, which might theoretically grow numbers and thereby giving. So assessing giving at a flat rate, rather than punishing success through a progressive tax on giving might make some sense.

We have some parishes, however, which might be referred to as 'lucky'. That is a parish that because of historical events are well endowed with lettable assets or investments and/or bequests. It might appear that the principle of assessing history differently from assessing giving may be sensible in this context.

What if we adopted a model where giving was assessed at 12% and property and endowment income was assessed at 20%?

Under this scenario 36 parishes would be better off and 22 parishes worse off while still raising the same in total. **See Appendix 2**

I have excluded rectory rental from this as it seems to me that rent from a rectory is a proxy for the housing allowance and they neutralise each other.

This approach results in some quite dramatic changes to the level of assessment payable by various parishes and would therefore need to be approached prayerfully and carefully.

## 4. Flat Tax – no deductions

Under this scenario the deductions policy is removed altogether, and parishes would be assessed on their income. This would remove the incentives for stewardship of property and mission, which would be a significant step for Synod to take. The result, however, shifts the assessment rate to under 12%. **See Appendix 2.**

## 5. Central Services Tax

A final alternative might be that instead of reducing assessment rates, to increase them and use the income to pay for more services to be provided by Synod Office centrally for the parishes.

To be clear - this isn't my idea or desire necessarily, but is raised from time to time by some clergy and lay leaders.

This approach might address capacity issues in some parishes and perhaps enable parishes to focus more on God's mission without the burden of administration and compliance or property management and maintenance issues.

Given the radical nature of the idea, and not really having broad agreement about what services might be done centrally, I haven't listed options or modelled them. Synod may or may not be minded to develop this concept further.

### **Diocesan Council**

Diocesan Council considered the issues raised in this paper at its meeting on 12 July 2023 and, noting that the request from Synod was for Diocesan Council to review and report, determined that it would not make any recommendations at this juncture. Instead, it endorsed the discussion paper and encouraged its earliest release to allow Synod members plenty of time to consider the issues canvassed.

I hope Synod members find the paper useful. My office would be happy to hear from members of Synod who might have questions or might wish to discuss or test other scenarios or rates before the next session of Synod.



**Joe Thorp**  
**Registrar and Secretary of Synod**

## Appendix 1 – Current 14% v Bloor Method

Parish	Net Assessable Income	Current 14%	Bloor Method	Delta
Mallala	\$ 5,467	\$ 765	\$ 547	\$ 219
Norton Summit	\$ 7,737	\$ 1,083	\$ 774	\$ 309
Two Wells	\$ 10,653	\$ 1,491	\$ 1,065	\$ 426
St Francis Trinity College	\$ 17,688	\$ 2,476	\$ 1,769	\$ 708
Elizabeth	\$ 33,282	\$ 4,659	\$ 3,328	\$ 1,331
Kapunda	\$ 35,799	\$ 5,012	\$ 3,580	\$ 1,432
St Cyprian's North Adelaide	\$ 37,324	\$ 5,225	\$ 3,732	\$ 1,493
Elizabeth Downs	\$ 39,792	\$ 5,571	\$ 3,979	\$ 1,592
Parafield Gardens	\$ 41,024	\$ 5,743	\$ 4,102	\$ 1,641
Kangaroo Island	\$ 49,506	\$ 6,931	\$ 5,221	\$ 1,710
Holy Trinity Adelaide	\$ 55,220	\$ 7,731	\$ 6,135	\$ 1,596
Goodwood	\$ 82,197	\$ 11,508	\$ 10,452	\$ 1,056
Golden Grove	\$ 83,492	\$ 11,689	\$ 10,659	\$ 1,030
Payneham	\$ 84,188	\$ 11,786	\$ 10,770	\$ 1,016
Broadview Enfield	\$ 85,617	\$ 11,986	\$ 10,999	\$ 988
Prospect	\$ 89,587	\$ 12,542	\$ 11,634	\$ 908
Woodville	\$ 91,339	\$ 12,787	\$ 11,914	\$ 873
Plympton	\$ 91,459	\$ 12,804	\$ 11,933	\$ 871
Port Adelaide	\$ 91,728	\$ 12,842	\$ 11,976	\$ 865
Toorak Gardens	\$ 92,963	\$ 13,015	\$ 12,174	\$ 841
St Mary Magdalene's	\$ 93,502	\$ 13,090	\$ 12,260	\$ 830
Lockleys	\$ 101,856	\$ 14,260	\$ 13,597	\$ 663
Largs Bay	\$ 102,302	\$ 14,322	\$ 13,668	\$ 654
Fullarton	\$ 102,760	\$ 14,386	\$ 13,742	\$ 645
Norwood	\$ 103,271	\$ 14,458	\$ 13,823	\$ 635
Gawler	\$ 104,975	\$ 14,697	\$ 14,096	\$ 601
Semaphore	\$ 107,801	\$ 15,092	\$ 14,548	\$ 544
Somerton Park	\$ 112,836	\$ 15,797	\$ 15,354	\$ 443
Walkerville	\$ 115,282	\$ 16,139	\$ 15,745	\$ 394
Belair	\$ 121,179	\$ 16,965	\$ 16,689	\$ 276
Kidman Park & Mile End	\$ 124,609	\$ 17,445	\$ 17,237	\$ 208
Parkside	\$ 126,016	\$ 17,642	\$ 17,463	\$ 180
Glen Osmond	\$ 132,585	\$ 18,562	\$ 18,514	\$ 48
St Peters All Souls	\$ 133,465	\$ 18,685	\$ 18,654	\$ 31
Clarence Gardens	\$ 133,728	\$ 18,722	\$ 18,696	\$ 25
Henley and Grange	\$ 134,716	\$ 18,860	\$ 18,855	\$ 6
Burnside	\$ 135,321	\$ 18,945	\$ 18,951	\$ (6)
Warradale	\$ 137,679	\$ 19,275	\$ 19,329	\$ (54)
Tea Tree Gully	\$ 137,987	\$ 19,318	\$ 19,378	\$ (60)
The Barossa	\$ 140,143	\$ 19,620	\$ 19,723	\$ (103)
St Luke's Adelaide	\$ 151,772	\$ 21,248	\$ 21,584	\$ (335)
Ingle Farm/Para Hills	\$ 157,925	\$ 22,110	\$ 22,568	\$ (459)
Modbury	\$ 164,954	\$ 23,094	\$ 23,693	\$ (599)
St John's Halifax Street	\$ 167,558	\$ 23,458	\$ 24,109	\$ (651)
Hawthorn	\$ 167,824	\$ 23,495	\$ 24,152	\$ (656)
Coromandel Valley	\$ 174,124	\$ 24,377	\$ 25,160	\$ (782)
Campbelltown	\$ 174,556	\$ 24,438	\$ 25,229	\$ (791)
Magill	\$ 181,236	\$ 25,373	\$ 26,298	\$ (925)
Kensington	\$ 188,338	\$ 26,367	\$ 27,434	\$ (1,067)
Salisbury	\$ 189,171	\$ 26,484	\$ 27,567	\$ (1,083)
Brighton	\$ 200,088	\$ 28,012	\$ 29,314	\$ (1,302)
Stirling	\$ 220,779	\$ 30,909	\$ 32,625	\$ (1,716)
Glenelg	\$ 237,503	\$ 33,250	\$ 35,300	\$ (2,050)
Mitcham	\$ 261,568	\$ 36,620	\$ 39,151	\$ (2,531)
St Mary's South Road	\$ 312,601	\$ 43,764	\$ 47,316	\$ (3,552)
Unley	\$ 317,066	\$ 44,389	\$ 48,031	\$ (3,641)
St Peter's Cathedral	\$ 319,035	\$ 44,665	\$ 48,346	\$ (3,681)
Christ Church North Adelaide	\$ 565,961	\$ 79,235	\$ 87,854	\$ (8,619)
<b>TOTAL</b>		<b>\$ 1,075,219</b>	<b>\$ 1,082,795</b>	

Appendix 2 Current v Bloor v Giving 12% Investments 20% v No deductions 11.5%

Parish	Net Assessable Income	Current 14%	Bloor Method	Delta	Assess giving @ 12%	Assess Investments @20%	Total Assessment	Delta	No deductions 11.5%	Delta
Belair	\$ 121,179	\$ 16,965	\$ 16,689	\$ 276	\$ 10,457	\$ 6,808	\$ 17,265	\$ (300)	\$ 14,783	\$ 2,182
Brighton	\$ 200,088	\$ 28,012	\$ 29,314	\$ (1,302)	\$ 13,986	\$ 13,578	\$ 27,565	\$ 448	\$ 26,666	\$ 1,346
Broadview Enfield	\$ 85,617	\$ 11,986	\$ 10,999	\$ 988	\$ 5,093	\$ 8,634	\$ 13,728	\$ (1,741)	\$ 13,797	\$ (1,811)
Burnside	\$ 135,321	\$ 18,945	\$ 18,951	\$ (6)	\$ 13,602	\$ 4,394	\$ 17,996	\$ 949	\$ 16,664	\$ 2,281
Campbelltown	\$ 174,556	\$ 24,438	\$ 25,229	\$ (791)	\$ 14,028	\$ 11,531	\$ 25,559	\$ (1,121)	\$ 21,443	\$ 2,995
Christ Church North Adelaide	\$ 565,961	\$ 79,235	\$ 87,854	\$ (8,619)	\$ 5,974	\$ 103,236	\$ 109,210	\$ (29,975)	\$ 75,294	\$ 3,940
Clarence Gardens	\$ 133,728	\$ 18,722	\$ 18,696	\$ 25	\$ 7,661	\$ 17,620	\$ 25,281	\$ (6,560)	\$ 18,352	\$ 370
Coromandel Valley	\$ 174,124	\$ 24,377	\$ 25,160	\$ (782)	\$ 9,375	\$ 16,080	\$ 25,455	\$ (1,078)	\$ 22,343	\$ 2,034
Elizabeth	\$ 33,282	\$ 4,659	\$ 3,328	\$ 1,331	\$ 2,193	\$ 3,002	\$ 5,194	\$ (535)	\$ 3,827	\$ 832
Elizabeth Downs	\$ 39,792	\$ 5,571	\$ 3,979	\$ 1,592	\$ 5,242	\$ -	\$ 5,242	\$ 329	\$ 6,181	\$ (610)
Fullarton	\$ 102,760	\$ 14,386	\$ 13,742	\$ 645	\$ 16,451	\$ 621	\$ 17,073	\$ (2,686)	\$ 13,199	\$ 1,188
Gawler	\$ 104,975	\$ 14,697	\$ 14,096	\$ 601	\$ 6,887	\$ 9,517	\$ 16,404	\$ (1,707)	\$ 13,737	\$ 960
Glen Osmond	\$ 132,585	\$ 18,562	\$ 18,514	\$ 48	\$ 7,470	\$ 9,467	\$ 16,937	\$ 1,625	\$ 19,380	\$ (818)
Glenelg	\$ 237,503	\$ 33,250	\$ 35,300	\$ (2,050)	\$ 23,324	\$ 8,628	\$ 31,951	\$ 1,299	\$ 30,652	\$ 2,599
Golden Grove	\$ 83,492	\$ 11,689	\$ 10,659	\$ 1,030	\$ 9,880	\$ 232	\$ 10,112	\$ 1,577	\$ 11,695	\$ (6)
Goodwood	\$ 82,197	\$ 11,508	\$ 10,452	\$ 1,056	\$ 9,864	\$ -	\$ 9,864	\$ 1,644	\$ 11,380	\$ 127
Hawthorn	\$ 167,824	\$ 23,495	\$ 24,152	\$ (656)	\$ 16,290	\$ 6,415	\$ 22,705	\$ 790	\$ 23,373	\$ 122
Henley and Grange	\$ 134,716	\$ 18,860	\$ 18,855	\$ 6	\$ 14,356	\$ -	\$ 14,356	\$ 4,504	\$ 18,855	\$ 5
Holy Trinity Adelaide	\$ 55,220	\$ 7,731	\$ 6,135	\$ 1,596	\$ 6,534	\$ 153	\$ 6,688	\$ 1,043	\$ 6,350	\$ 1,381
Ingle Farm/Para Hills	\$ 157,925	\$ 22,110	\$ 22,568	\$ (459)	\$ 7,315	\$ 15,274	\$ 22,589	\$ (480)	\$ 20,945	\$ 1,165
Kangaroo Island	\$ 49,506	\$ 6,931	\$ 5,221	\$ 1,710	\$ 5,088	\$ -	\$ 5,088	\$ 1,843	\$ 6,602	\$ 329
Kapunda	\$ 35,799	\$ 5,012	\$ 3,580	\$ 1,432	\$ 1,657	\$ 4,398	\$ 6,055	\$ (1,043)	\$ 6,646	\$ (1,634)
Kensington	\$ 188,338	\$ 26,367	\$ 27,434	\$ (1,067)	\$ 18,619	\$ 6,636	\$ 25,255	\$ 1,112	\$ 36,764	\$ (10,396)
Kidman Park & Mile End	\$ 124,609	\$ 17,445	\$ 17,237	\$ 208	\$ 12,989	\$ 3,273	\$ 16,262	\$ 1,183	\$ 16,768	\$ 677
Largs Bay	\$ 102,302	\$ 14,322	\$ 13,668	\$ 654	\$ 12,276	\$ -	\$ 12,276	\$ 2,046	\$ 12,313	\$ 2,009
Lockleys	\$ 101,856	\$ 14,260	\$ 13,597	\$ 663	\$ 8,350	\$ 6,455	\$ 14,805	\$ (545)	\$ 14,056	\$ 204
Magill	\$ 181,236	\$ 25,373	\$ 26,298	\$ (925)	\$ 14,949	\$ 11,332	\$ 26,281	\$ (908)	\$ 31,685	\$ (6,312)
Mallala	\$ 5,467	\$ 765	\$ 547	\$ 219	\$ 539	\$ 195	\$ 734	\$ 31	\$ 837	\$ (72)
Mitcham	\$ 261,568	\$ 36,620	\$ 39,151	\$ (2,531)	\$ 18,642	\$ 21,243	\$ 39,885	\$ (3,266)	\$ 33,551	\$ 3,068
Modbury	\$ 164,954	\$ 23,094	\$ 23,693	\$ (599)	\$ 16,457	\$ 5,101	\$ 21,558	\$ 1,535	\$ 23,269	\$ (175)
Norton Summit	\$ 7,737	\$ 1,083	\$ 774	\$ 309	\$ 1,985	\$ 368	\$ 2,353	\$ (1,270)	\$ 3,253	\$ (2,169)
Norwood	\$ 103,271	\$ 14,458	\$ 13,823	\$ 635	\$ 10,779	\$ -	\$ 10,779	\$ 3,678	\$ 29,601	\$ (15,143)
Parafield Gardens	\$ 41,024	\$ 5,743	\$ 4,102	\$ 1,641	\$ 4,782	\$ 235	\$ 5,017	\$ 726	\$ 5,734	\$ 9
Parkside	\$ 126,016	\$ 17,642	\$ 17,463	\$ 180	\$ 11,062	\$ 466	\$ 11,529	\$ 6,114	\$ 16,738	\$ 905
Payneham	\$ 84,188	\$ 11,786	\$ 10,770	\$ 1,016	\$ 8,277	\$ 3,043	\$ 11,320	\$ 467	\$ 11,641	\$ 145
Plympton	\$ 91,459	\$ 12,804	\$ 11,933	\$ 871	\$ 6,217	\$ 7,931	\$ 14,147	\$ (1,343)	\$ 13,178	\$ (373)
Port Adelaide	\$ 91,728	\$ 12,842	\$ 11,976	\$ 865	\$ 9,881	\$ 1,877	\$ 11,758	\$ 1,084	\$ 12,580	\$ 262
Prospect	\$ 89,587	\$ 12,542	\$ 11,634	\$ 908	\$ 7,069	\$ 1,404	\$ 8,473	\$ 4,070	\$ 13,127	\$ (585)
Salisbury	\$ 189,171	\$ 26,484	\$ 27,567	\$ (1,083)	\$ 5,352	\$ 24,755	\$ 30,106	\$ (3,622)	\$ 28,977	\$ (2,494)
Semaphore	\$ 107,801	\$ 15,092	\$ 14,548	\$ 544	\$ 12,999	\$ -	\$ 12,999	\$ 2,093	\$ 13,884	\$ 1,208
Somerton Park	\$ 112,836	\$ 15,797	\$ 15,354	\$ 443	\$ 11,278	\$ 3,771	\$ 15,049	\$ 748	\$ 13,792	\$ 2,005
St Cyprian's North Adelaide	\$ 37,324	\$ 5,225	\$ 3,732	\$ 1,493	\$ 4,241	\$ 396	\$ 4,637	\$ 588	\$ 6,196	\$ (971)
St Francis Trinity College	\$ 17,688	\$ 2,476	\$ 1,769	\$ 708	\$ 2,094	\$ 47	\$ 2,141	\$ 335	\$ 3,598	\$ (1,122)
St John's Halifax Street	\$ 167,558	\$ 23,458	\$ 24,109	\$ (651)	\$ 15,049	\$ 8,431	\$ 23,479	\$ (21)	\$ 23,338	\$ 120
St Luke's Adelaide	\$ 151,772	\$ 21,248	\$ 21,584	\$ (335)	\$ 15,402	\$ -	\$ 15,402	\$ 5,846	\$ 21,012	\$ 237
St Mary Magdalene's	\$ 93,502	\$ 13,090	\$ 12,260	\$ 830	\$ 9,755	\$ -	\$ 9,755	\$ 3,335	\$ 15,168	\$ (2,078)
St Mary's South Road	\$ 312,601	\$ 43,764	\$ 47,316	\$ (3,552)	\$ 4,671	\$ 54,736	\$ 59,406	\$ (15,642)	\$ 50,974	\$ (7,210)
St Peter's All Souls	\$ 133,465	\$ 18,685	\$ 18,654	\$ 31	\$ 12,159	\$ 6,427	\$ 18,587	\$ 98	\$ 20,772	\$ (2,087)
St Peter's Cathedral	\$ 319,035	\$ 44,665	\$ 48,346	\$ (3,681)	\$ 38,284	\$ -	\$ 38,284	\$ 6,381	\$ 36,689	\$ 7,976
Stirling	\$ 220,779	\$ 30,909	\$ 32,625	\$ (1,716)	\$ 24,885	\$ 2,680	\$ 27,566	\$ 3,343	\$ 27,971	\$ 2,938
Tea Tree Gully	\$ 137,987	\$ 19,318	\$ 19,378	\$ (60)	\$ 16,558	\$ -	\$ 16,558	\$ 2,760	\$ 23,476	\$ (4,158)
The Barossa	\$ 140,143	\$ 19,620	\$ 19,723	\$ (103)	\$ 5,252	\$ 19,275	\$ 24,527	\$ (4,907)	\$ 20,695	\$ (1,075)
Toorak Gardens	\$ 92,963	\$ 13,015	\$ 12,174	\$ 841	\$ 7,496	\$ 6,100	\$ 13,595	\$ (581)	\$ 13,235	\$ (220)
Two Wells	\$ 10,653	\$ 1,491	\$ 1,065	\$ 426	\$ 537	\$ 1,236	\$ 1,773	\$ (281)	\$ 1,829	\$ (338)
Unley	\$ 317,066	\$ 44,389	\$ 48,031	\$ (3,641)	\$ 30,003	\$ 13,408	\$ 43,411	\$ 978	\$ 44,384	\$ 6
Walkerville	\$ 115,282	\$ 16,139	\$ 15,745	\$ 394	\$ 11,025	\$ 4,682	\$ 15,707	\$ 433	\$ 14,523	\$ 1,616
Warradale	\$ 137,679	\$ 19,275	\$ 19,329	\$ (54)	\$ 13,200	\$ 5,536	\$ 18,736	\$ 539	\$ 16,148	\$ 3,127
Woodville	\$ 91,339	\$ 12,787	\$ 11,914	\$ 873	\$ 9,524	\$ 2,394	\$ 11,918	\$ 869	\$ 11,106	\$ 1,681
<b>TOTAL</b>		<b>\$ 1,075,219</b>	<b>\$ 1,082,795</b>				<b>\$ 1,088,388</b>		<b>\$ 1,085,027</b>	