RESEARCH PAPER

Change for change's sake: are tax reforms required to assist the Australian arts sector?

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The arts sector can be plagued by characteristics that make its sustainability difficult, and it would appear that those in the arts sector consider that Australia's tax system has an important role to play in contributing to a sustainable arts sector. For example, within the 2020 Summit, at least 19 recommendations by the committee on "Towards a creative Australia" related to proposed tax changes (Australia, 2008). However, there are already a number of tax provisions that assist the art sector (either directly or indirectly) – is it that the current concessions are ineffective, not well understood or something else? This article reports on the survey results of 236 people involved in the arts sector (either as artists, arts organizations, advisors or supporters). This article reports the findings of the survey in terms of bettering understanding how taxpayers, particularly those involved in the arts sector, accessed tax information, their tax awareness of current tax provisions that directly/indirectly affect the arts. Furthermore, it explores what those involved in the sector consider to be their greatest tax issues. Given the survey results, it will be argued that to ensure that any reforms for this sector to be effective there needs to be greater considerations to the way that artists access tax information, and their level of competency in dealing with tax obligations, and how practical strategies can be implemented within the current framework to assist the arts. It will be argued that this background understanding is critical in determining what tax reforms, if any, are needed to ensure that reforms are not done just for change's sake.

Keywords: artist/art policy; tax; cultural policy; reform; attitude; awareness

Introduction

There is already a number of alternative tax concessions provided to the Australian arts sector – either directly or indirectly (Freudenberg, 2008a). These concessions included income averaging, deductible gift recipient (DGR) status for some arts organizations, the availability of intermediary DGRs, testamentary donations, prescribed private funds (PPFs; now known as "Private Ancillary Funds") and film tax concessions. However, there are some tax rules that are potentially adverse to the arts, such as the non-commercial loss rules, the complexity surrounding donations for charity dinners and auctions, the valuation of goods donated by artists or art traders and restrictive capital gains tax (CGT) rules for art work regarded as a "collectible".

As highlighted in the 2020 Summit, there are contentions that the arts sector would benefit from tax reforms, some of which reflect international practice (Australia, 2008). Indeed, there are a number of international tax strategies not currently utilized in Australia, including exempting artistic income, tax credits for artists to reduce their tax payable, GST concessions for supplies

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by artists and/or arts organizations and mechanisms to allow for deferred donations (Freudenberg, 2008b; McAndrew, 2002).

However, for any tax reforms to be effective it is imperative to have a greater understanding of the relationship of those involved in the sector and the tax system. In this way more meaningful reforms can be formulated. To provide a greater understanding of the relationship between the tax system and the arts, a survey was conducted asking about awareness and attitude towards tax, how and when tax information was accessed and issues towards tax.

Initially, after providing an overview of the arts sector and some of the issues facing this sector, the methodology for the survey is provided, followed by the descriptive statistics. Next, the results and discussion are outlined in terms of “awareness”, and “attitude” towards tax. The article then outlines the recommendations, followed by the limitations of the survey and the potential for future research, before concluding.

The Australian arts sector

The arts sector can cover many types of endeavour, either government or privately provided, including writers, visual artists, craft practitioners, theatre, dancers, choreographers, musicians, singers and composers, as well as to museums, heritage centres, festivals and digital media. In this analysis, the arts sector is divided into three broad categories: artists, arts organizations and contributors.

While defining the arts sector can be problematic (Payne, 2003), it has been estimated that it directly represents approximately 1.6% of Australia’s gross domestic product (GDP) (Guldborg, 2000, p. 150); however, its impact could be greater due to its influence on complementary services such as tourism. In 2007 an estimated 3.5 million Australians were involved in either paid or unpaid work in the arts and leisure sector, representing 22% of Australians (Australian Bureau of Statistics [ABS], 2007, p. 3). However, of those involved, two-thirds were unpaid (ABS, 2007, Table 1). Accordingly, the support of volunteers appears to be critical for the arts sector (Australia Council for the Arts, 2008).

It is estimated that 474,000 Australians were employed in a cultural occupation or cultural industry as their main job in 2006 (Australia Council for the Arts, 2008). In terms of lodgement of tax returns with the Australian Taxation Office (the Tax Office), there were 121,532 taxpayers conducting businesses in both the arts and recreational services, with the vast percentage of businesses conducted as sole traders (Figure 1). These sole traders generated a total of \$1457 million of arts income, an average of \$12,000 income per taxpayer (Australian Tax Office, 2008a). Consequently, it can be appreciated that the art sector can be dominated by small business, which is a sector plagued by a number of issues, including compliance cost (Evans, Ritchie, Tran-Nam, & Walpole, 1997).

Table 1. Deferred non-commercial losses.

Type of activity	Number of taxpayers	Amount \$AUD
Museum operation	25	352,990
Parks and gardens operations	15	108,788
Creative and performing arts activities	2,765	18,554,033
Total all industries	39,970	320,929,548

Source: Table 4: Taxation Statistics 2005–06: A summary of tax returns for the 2005–06 income year and other reported tax information for the 2006–07 financial year (Australian Taxation Office, 2008a). The figure reported is for the deferred non-primary production losses.

Figure 1. Arts businesses lodging tax returns.

Source: Table 4: Taxation Statistics 2005–06: A summary of tax returns for the 2005–06 income year and other reported tax information for the 2006–07 financial year (Australian Taxation Office, 2008a).

Even when payment is received by an artist for their endeavours, a lot of the times it can be below \$5000 per annum (ABS, 2007). The low level of income earned is supported by the findings of Throsby and Hollister, who found that the median figure for Australian artists' earned income in 2001 ranged from \$9200 to \$23,600 (2003, p. 45).

In respect of the impact of the non-commercial loss provisions, Table 1 demonstrates there were 25 museum operations and 2765 creative performing art taxpayers affected by the provisions. These taxpayers between them had approximately \$19 million dollars' worth of deferred non-commercial losses that were quarantined and unable to offset other income of the taxpayers. This represents approximately 6% of all of the non-commercial losses deferred.

Justification for concessions

The plight of artists appears universal. Da Silva has pointed out the features common to many artists around the world, including sporadic employment, poor and unpredictable income levels and combining artistic work with another paid employment (Da Silva, 1999).

In response, many jurisdictions have provided mechanisms to support the arts. This support may be in the form of grants, tax concessions (exemptions, additional deductions or tax offsets), regulation or advertisement (Payne, 2003, p. 3). Indeed, the government is seen as pivotal in providing "cultural infrastructure" from built environments, technology and funding of pillar cultural organizations (Ferres & Adair, 2007, p. 8).

Baumol (2003) has analysed the economic reasons that are used to justify such government support: these centre on the five reasons of positive externalities, public goods, significant worthiness, greater access and infant industry. However, the overall effectiveness of such concessions, whether direct or indirect, can be questioned. For example, one way that the arts sector receives indirect support is via donations being deductible when made to arts organizations that are DGRs. Another mechanism is the introduction from July 2001 of PPFs with concessional tax treatment to encourage private giving (Treasury, 2009, p. 89). Distributions from PPFs are a growing source of funds for the arts sector in Australia. Previously it was estimated that arts received 10% of distributions, in the 2007 year 33% of a total \$117,072,843 of distributions was to the arts (Australian Tax Office, 2008b).

However, it is uncertain to what extent taxpayers are motivated by the tax deductibility of donations they make, as other motivations may be stronger (Madden & Newton, 2006).

When the tax system is used to assist industries or achieve objectives it can be hard to determine their success or effectiveness. It has been argued by Surrey (1973) that indirect government

support, such as tax incentives, should be analysed and assessed in a similar manner to that of direct government expenditure.

There have been a number of deliberations of the Australian tax treatment of the arts, whether directly on artists, or indirectly through arts organizations or donations. Indeed the book by Throsby and Withers (1979) is comprehensive. However, other deliberations are not as holistic and instead can focus on one aspect or industry (Adair, 1999). For example, there have been numerous submissions in terms of the application of the non-commercial loss provisions for artists (Arts Law Centre, 2004; Australia Council for the Arts, 2009, p. 8). Alternatively, industry tax publications may be informative only – explaining the Australian tax systems application to the arts rather than assessing the effectiveness of it (Australian Council for the Arts, 2000). Ferres and Adair (2007) provide a thorough consideration of the potential externality benefits provided by the arts in Australia.

A number of articles have considered the effectiveness of the philanthropy provisions in Australia, which may be informative to the arts due to the treatment of some arts organizations as DGRs. In terms of the not-for-profit sector there have been a number of pieces written, including comparing Australia's PPF regime to the United States (Crimm, 2002). Research has also considered the motivation behind giving, from personal perspectives as well as corporations (Sargeant & Crissman, 2006). For example, it has been stated that corporate sponsorship can be more attracted to "special events" to which the company name can be attached – with high visibility important (Gray, 2008, p. 19).

It would appear that those involved in the arts sector consider that the Australian tax system has an important role to play in contributing to a sustainable arts sector in the future. For example, within the 2020 Summit, at least 19 recommendations by the committee on "Towards a creative Australia" related to proposed tax changes (Australia, 2008). The word "tax" was mentioned 41 times in their chapter. However, it is questionable how appropriate and the basis of some of the recommendations. For example, some of these recommendations were controversial, such as the reintroduction of death duties with the exemption for public art and performing arts in public places. More recently, the Australia Council for the Arts (2009) made a submission for various tax reforms as part of the Henry Tax Review.

Prior to considering possible tax reforms, it is argued that a better understanding of the relationship between the arts sector and the Australian tax system is required to ensure that any proposed tax reforms are meaningful, rather than being "change for change's sake". There appears to be little or no research that has considered the interplay between those in the arts sector and the Australian tax system, and thus the research undertaken for this article aimed to address this.

With this understanding of the Australian arts sector and the arguments for its support, the remainder of this article will discuss the survey conducted to consider the relationship between the Australian tax system and the arts.

Methodology

Detailed below are the aims of this research project and the approach taken to implement it.

Research aims

The research detailed in this article had three aims. First, to better understand how taxpayers, particularly those involved in the arts sector, accessed tax information. Second, to better understand the awareness of taxpayers, particularly those involved in the arts sector, of current tax provisions that directly/indirectly affect the arts. The third aim was to gain a greater understanding of tax issues facing the sector.

The study wanted to identify if there were any differences between different segments of the arts sector, particularly “artists”, “arts organizations”, “advisors” and “supporters”. It was thought that there might be different issues and attitudes within each of these segments.

The term “artist” is used to describe individuals who are creating art, whether the artists are authors of literary, dramatic, musical or artistic works; inventors; performing artists; or production associations. Artists may either trade under their own names (sole trader or independent contractor) or use a business form (such as company, discretionary trust or general partnership). Alternatively, artists can undertake their artistic endeavours as employees. The term “arts organizations” describes organizations that act as collectors of artistic work (such as museums, libraries and galleries), and/or that facilitate and organize artistic endeavours (such as dance or theatre companies). These arts organizations may be companies, associations, trusts or quasi-government bodies. The term “supporters” describes individuals or organizations supporting artistic endeavours through direct funding, contributions, grants and/or donations. The term “advisor” describes those who are professional advisors to the arts sector, which includes lawyers, accountants, tax agents as well as strategy advisors.

Research approach

To address the research aims, a quantitative survey was implemented. This allowed the tax issues confronting the arts sector to be gauged on a broader scale. Consideration was given to how awareness and attitudes towards tax may influence the relationship of the arts sector with the Australian tax system.

The wording of the survey instrument was developed from focus groups and feedback from an information session conducted. The survey instrument also allowed for comments to be made, which was complimented by a number of interviews with key stake holders.

The survey instrument consisted of four parts. The first part requested brief demographic details. Within the second part, questions were posed to gauge awareness of or attitude towards tax. Part 3 then sought opinions about the potential tax reforms. The final part allowed for comments to be made in terms of tax issues.

The final instrument used to conduct the survey was slightly altered when respondents identified themselves as advisors. For example, in Part 2 of the survey advisors were asked to gauge their clients’ responses to the questions. To facilitate data collection, an electronic version of the survey was constructed via Survey Monkey, which allowed respondents to complete the survey unanimously via a distributed URL.

Invitations to participate in the survey were distributed via a number of means within Queensland and through the broader Australian arts community. This included publicizing the survey through articles and websites, as well as emails from arts organizations notifying their members of the survey (including Arts Queensland). The survey was also distributed to academics within the arts faculties of a number of Queensland universities. To gain an appreciation of advisors’ opinions towards the potential reforms, the survey was publicized by a number of professional bodies, including Taxation Institute of Australia, CPA Australia, Australasian Tax Teachers’ Association and the publishing house CCH Australia.

The data discussed below is from those participants completing the electronic survey between 27 March 2009 and 31 May 2009.

Descriptive statistics

A total of 236 usable fully completed surveys resulted from this process (a total of 338 had commenced the survey, with 69.8% fully completing it). Of these, 97 identified themselves as artists,

52 were employees from arts organizations, one was an art trader, 42 were advisors and the remaining were supporters or others. Summary descriptive statistics for the sample are provided in Table 2.

Because of the low response rate from art dealers, their responses were combined with the “artist” category. Those participants who identified themselves as “other” were reviewed and allocated to a more specific category if their description warranted it.

Artists

The artists participating in the survey represented a number of artistic endeavours, with the three largest representations from theatre, music and visual art. Similar to statistics from ABS, there was a predominance of artists conducting their business as a sole trader (56.4%), with approximately one-fifth as a corporation (20.5%), and 6.4% and 2.6% as a general partnership or trust, respectively. Approximately 14% of the artists identified themselves as employees.

Similar to the earlier research by Throsby and Hollister (2003), the gross level of income generated by artists from their artistic endeavours was on the majority less than \$20,000, with 42.3% of artists surveyed indicating in the last financial year that their gross level of income generated from artistic endeavours was less than \$10,000.

Approximately 33% of artists generated a loss from their artistic endeavours in the last financial year, although 13% were unsure about this. In terms of GST registration, 37% of artists identified that they were registered for GST, which is congruent to the low levels of income reported and the findings of Throsby and Hollister (2003).

Arts organizations

For the employees of arts organizations participating in the survey, a number of artistic endeavours were represented, with the largest representation in theatre, music and visual art. This is similar to categories identified by the artists and may mean that the results of this survey are more reflective of those categories rather than of the arts sector broadly. Many of the arts organizations’ business structure were as an incorporated association (35%), followed a corporation limited by guarantee (29%) and statutory authority (27%).

In comparison to artists, the gross level of income of arts organizations was greater, with approximately 40% above \$2 million. Approximately, two-thirds of the arts organizations identified themselves as being income tax exempt (67%), with three-quarters of them registered for GST.

Table 2. Summary of survey participants.

How best would you describe your involvement with the arts?	Response count
Artist and creative businesses (directly creating artistic work)	97
Art organization (organization that collects artistic work or organize artistic endeavours) (i.e., museum)	52
Art dealer (buy and sell art to generate income)	1
Supporter of the arts (individuals or companies that support artistic endeavours through direct funding, grants, donations or purchases)	30
Business advisor to the arts (such as accountant or lawyer)	42
Others	14

The main source of artistic income for arts organizations came from either grants (29.3%) or direct government allocations (19.5%), with the other main source being sales of art/tickets for performances. This would tend to indicate that many of the arts organizations surveyed rely on direct government support for their main source of income.

Advisors

For the advisors participating in the survey the vast majority were either accountants (52.8%) or tax agents (36.1%), which is probably due in part to the professional bodies that supported the distribution of the survey.

Approximately two-thirds of these advisors gave advice to small and medium artistic businesses. Nearly 42% of the advisors had less than 5 years' experience in advising the arts, with around 39% between 5 and 20 years' experience, and approximately 16.7% having greater than 20 years' experience.

Results and discussion

The substantive part of the survey instrument contained two segments – awareness and attitude towards tax and comments, each of which is now discussed.

Awareness and attitude towards tax

To gain a greater understanding about the relationship between the arts sector and the tax system, questions were asked to ascertain participant attitudes towards tax and how they accessed information. This is an important consideration, as there is currently a number of tax concessions already available to the arts sector and it is important to ascertain whether these current provisions are fully utilized. It may be the circumstance that the current structure of the tax system is sufficient and that it is just the dissemination of information or understanding that is lacking.

Accessing tax information

For artists the top three sources of tax information are their accountants or tax agents (33.7% and 10.2%, respectively), the Tax Office (25.3%) or a friend or relative (13.3%) (Table 3). Given the reliance on friends and relatives, this indicates that over one-tenth of artists have informal mechanisms of obtaining tax information. In comparison, employees of arts organizations have a greater reliance on accountants or tax agents (46.2%) and the Tax Office (34.6%) as their initial source of tax information. The reason for this may be that artists consider they cannot afford to seek professional advice, as 25.5% of artists considered the statement "I wish I had more money to seek professional advice" best described their attitude towards meeting their tax obligations – compared to only 11.5% for arts organizations. Indeed, 25% of advisors surveyed thought that their clients would agree that they wished they had more money to seek professional advice (see the discussion accompanying Table 14).

Advisors thought that a greater proportion of their clients would access tax information from an accountant or tax agent (63.9%), with only 8.3% considering that it would be from the Tax Office. It is apparent from the survey responses that the Tax Office is a significant source of information for taxpayers, which may be a response to the efforts that the Tax Office has put into educating taxpayers and making information available. Also it could reflect the fact that the advice and information from the Tax Office is free.

Table 3. Source of tax information.

Who do you initially access tax information from?	Response frequency		
	Artists	Art organizations	Advisor opinion of client
No one	7.1%	3.8%	2.8%
Friend or relative	13.3%	1.9%	16.7%
Employer	4.1%	3.8%	0.0%
Accountant	33.7%	38.5%	33.3%
Tax agent	10.2%	7.7%	30.6%
Financial planner	1.0%	1.9%	0.0%
Lawyer	0.0%	1.9%	0.0%
Australian Tax Office	25.5%	34.6%	8.3%
Internal accountant	2.0%	3.8%	8.3%
Professional body	3.1%	0.0%	0.0%
Government body	0.0%	1.9%	0.0%

Table 4. Contacting the Tax Office.

In terms of the statement "I am too scared to contact the Tax Office for assistance with a tax query" do you ...	Response frequency			
	Supporter	Artists	Art organizations	Advisor opinion of client
Strongly disagree	30.0%	18.4%	32.7%	0.0%
Disagree	30.0%	35.7%	44.2%	16.7%
Neutral	26.7%	23.5%	17.3%	30.6%
Agree	3.3%	17.3%	3.8%	41.7%
Strongly agree	10.0%	5.1%	1.9%	11.1%

The Tax Office as a source of information appears to be validated by a later survey question, as a larger percentage of participants either strongly disagreed or disagreed with the statement that "I am too scared to contact the Tax Office for assistance with a tax query" (Table 4). However, of the participants, artists were more likely to strongly agree or agree with the statement (22.4%) compared to arts organizations (5.7%). Interestingly, over 50% of advisors thought that their clients would be too scared to contact the Tax Office. However, the confidence of participants to contact the Tax Office may be due to the fact they are doing it anonymously through searching the Tax Office's website rather than through communication that discloses their identity.

When looking at artists on different income levels, there appears to be a difference in sources of tax information between those earning less than \$50,000 compared to those earning greater (Table 5). In particular, artist earning less than \$50,000 artistic income have greater reliance on friends and relatives to access tax information at 21.8% compared to nil for those earning more. This reinforces that those earning less are less likely to access professional advice, although this may be because given their income levels they have less need.

In terms of the method of accessing tax information, 32.7% of artists used the Internet, with 25.5% using face-to-face conversation and 18.4% phone calls (Table 6). Approximately 8% of artists acknowledged that they did not access tax information themselves. For employees of arts organizations there was a stronger reliance on the Internet (46.2%) and phone calls (23.1%), with face-to-face representing only 15.4% of responses. Although advisors correctly identified the three main ways their clients accessed tax information, their ranking was different, with

Table 5. Source of tax information and income level.

	Who do you initially access tax information from?	Response frequency	
		Artists – less than \$50,000	Artists – greater than \$50,000
365	No one	7.3%	8.7%
	Friend or relative	21.8%	0.0%
	Employer	1.8%	4.3%
	Accountant	30.9%	43.5%
	Tax agent	9.1%	4.3%
370	Financial planner	0.0%	0.0%
	Lawyer	0.0%	0.0%
	Australian Tax Office	25.5%	30.4%
	Internal accountant	0.0%	8.7%
	Professional body	3.6%	0.0%
	Government body	0.0%	0.0%

Table 6. Method of accessing tax information.

	What is the main way you access tax information?	Response frequency		
		Artists	Art organizations	Advisor opinion of client
380	Face-to-face conversation	25.5%	15.4%	44.4%
	Phone call	18.4%	23.1%	30.6%
	Internet	32.7%	46.2%	25.0%
	Internal database	3.1%	0.0%	0.0%
	E-Tax Return instructions	8.2%	5.8%	0.0%
	Printed material/booklets	4.1%	3.8%	0.0%
385	Seminars	0.0%	0.0%	0.0%
	I do not access tax information myself	8.2%	5.8%	0.0%

greater emphasis placed on face-to-face conversations (44.4%). It would appear that the Internet has allowed artists and arts organizations to gain greater access to tax information, thereby bypassing their advisors. However, given the distribution of the survey through electronic means, these findings may not be representative. Also, it appears that printed materials and attending seminars are not the main methods of accessing tax information. Furthermore, it needs to be acknowledged that the methods identified may not be the most “effective” way people access tax information.

Again there appears to be some difference with artists earning different income levels, with lower income artists relying more heavily on the Internet and higher income artist relying more on phone calls (Table 7). This may demonstrate that those on lower levels of income source free information from the Internet rather than phoning professional advisors. Given the complexity of the tax system, these findings may be of concern, as low income artists appear to rely on their own skills to research and interpret how the tax law applies to them. This is particularly of concern, as a large percentage of them are conducting a “business” rather than just being an employee.

In terms of *when* artists access tax information, a majority identified that it was when preparing their tax return (52%) (Table 8). This is important as the preparation of the tax return can often be after the end of the financial year, meaning that it is too late to implement potential tax planning strategies. Similarly, 50% of advisors thought that tax return time would be when artists accessed

Table 7. Method of accessing tax information and income level.

What is the main way you access tax information?	Response frequency	
	Artists – less than \$50,000	Artists – greater than \$50,000
Face-to-face conversation	29.1%	21.7%
Phone call	10.9%	26.1%
Internet	41.8%	17.4%
Internal database	0.0%	4.3%
E-Tax Return instructions	7.3%	8.7%
Printed material/booklets	3.6%	4.3%
Seminars	0.0%	0.0%
I do not access tax information myself	7.3%	17.4%

Table 8. Timing of access to tax information.

When do you access tax information?	Response frequency		
	Artists	Art organizations	Advisor opinion of client
Never	4.1%	0.0%	2.8%
When preparing my tax return	52.0%	25.0%	50.0%
Two or three times a year	34.7%	48.1%	38.9%
Regularly (monthly)	9.2%	26.9%	8.3%

tax information. The apparent sophistication of arts organizations was illustrated with responses to this question, as 48.1% identified that they accessed tax information two or three times a year, compared to 34.7% of artists. This may be attributed to the larger financial resources that arts organizations have compared to smaller entities – recall the level of income reported by the arts organizations.

The level of financial resources is reinforced by the finding that artists earning greater levels of artistic income have greater frequency in accessing tax information compared to those counterparts earning less (Table 9). Given the progressive tax system in Australia for individuals, this finding makes sense, as those earning more are on higher rates of income tax, and therefore the benefit of obtaining tax advice is greater.

Tax skills

Several questions were asked to gauge the level of skills that participants considered that they possessed to deal with their tax obligations.

The confidence of employees of arts organizations is reflected in the responses to a question concerning “How would you rate your skills in complying with your current tax obligations” – with 61.5% of arts organizations rating it as good or excellent (Table 10). In comparison, 52.1% of artists and 63.4% of supporters thought that their skills were good or excellent. Again, this may be because arts organizations have greater financial resources to seek advice.

Advisors were a bit more pessimistic about their clients’ skills, with only 22.2% rating their clients’ skills as good or excellent. Indeed, 47.2% of advisors rated the clients’ skills as very poor or poor. It appears that there is a divide between the perceptions of advisors and their clients. It may be that clients over-estimate their ability – which can occur with self-reporting of skills or that their advisors underestimate them.

Table 9. Timing of access to tax information and income level.

When do you access tax information?	Response frequency	
	Artists – less than \$50,000	Artists – greater than \$50,000
Never	5.5%	4.3%
When preparing my tax return	58.2%	30.4%
Two or three times a year	27.3%	52.2%
Regularly (monthly)	9.1%	13.0%

Table 10. Skills with current tax obligations.

How would you rate your skills in complying with your current tax obligations?	Response frequency			
	Supporter	Artists	Art organizations	Advisor opinion of client
Very poor	0.0%	9.2%	0.0%	8.3%
Poor	6.7%	10.2%	0.0%	38.9%
Average	30.0%	28.6%	38.5%	30.6%
Good	46.7%	37.8%	50.0%	19.4%
Excellent	16.7%	14.3%	11.5%	2.8%

Again there appears to be some difference with artist earning different income levels in terms of how they rate their skill levels (Table 11). Approximately only 42% of artist earning less than \$50,000 artistic income rate their tax compliance skills as good or excellent, compared to 74% for those earning greater than \$50,000. This would imply that access to professional advice improves a taxpayer's confidence in their skills in complying with their tax obligations – recalling it was those on higher income levels who sought professional advice more often.

However, there appears to be greater consistency for participants in terms of “understanding” their current tax obligations, although advisors continue to have a greater negative perception (Table 12).

To try to ascertain the accuracy of participants' self-reported levels of tax knowledge two simple tax questions were asked. One question was in relation to work-related travel (“Are all taxpayers able to claim the travel between home and work as a tax deduction because the travel is intrinsically ‘work’ related?”), and the other about GST (“Is having an Australian Business Number (ABN) and being registered for GST the same thing?”). For the work-related travel question, between 66.7% and 78.8% of participants were correct, with supporters demonstrating

Table 11. Skills with current tax obligations and income levels.

How would you rate your skills in complying with your current tax obligations?	Response frequency	
	Artists – less than \$50,000	Artists – greater than \$50,000
Very poor	12.7%	8.7%
Poor	16.4%	0.0%
Average	29.1%	17.4%
Good	30.9%	47.8%
Excellent	10.9%	26.1%

Table 12. Understanding tax obligations.

How would you rate your understanding of your current tax obligations?	Response frequency			
	Supporter	Artists	Art organizations	Advisor opinion of client
Very poor	3.3%	6.1%	0.0%	5.6%
Poor	3.3%	15.3%	7.7%	30.6%
Average	30.0%	31.6%	34.6%	36.1%
Good	46.7%	37.8%	51.9%	27.8%
Excellent	16.7%	9.2%	5.8%	0.0%

the lowest level of understanding. The confidence of the employees of arts organizations appears to be supported by this question as they recorded the highest level of correct responses.

For the GST question, there was a greater level of correct understanding compared to the first question, with over 90% of both artists and employees of arts organizations getting the question right. Supporters demonstrated the least understanding of this question also, which may reflect that individual supporters are not conducting a business and therefore are not aware of the difference between GST and ABNs.

Although it is acknowledged that the tax questions were simplistic, the answers would tend to support (to an extent) the confidence reported by participants of their tax knowledge.

Tax attitude

Participants were also asked a series of questions to gauge their attitude towards the tax system. There was a strong support (between 43.3% and 59.2%) for the arts sector receiving tax concessions (Table 13). However, given the nature of the survey this result must be interpreted with caution. Interestingly, 44.4% of advisors considered that the arts sectors should pay the same amount of tax as other taxpayers – with 33.3% of supporters agreeing. In comparison only a small percentage of artists and employees of arts organizations agreed with this statement. Across all categories of participants (except for arts organizations) there was relatively little support for the statement that the “arts sector should pay no income tax at all”.

In terms of attitude towards meeting their tax obligations, there was a larger percentage of artists (25.5%) who agreed with the statement that they wish they had more money to seek

Table 13. Tax concessions for the arts.

Which of the following statements do you most agree with?	Response frequency			
	Supporter	Artists	Art organizations	Advisor opinion of client
The arts sector should be given tax concessions compared to other industries	43.3%	59.2%	55.8%	47.2%
The arts sector should have to pay no income tax at all	13.3%	9.2%	25.0%	2.8%
The arts sector should pay the same amount of tax as other taxpayers	33.3%	17.3%	11.5%	44.4%
The arts sector should pay more tax than other taxpayers	0.0%	2.0%	0.0%	0.0%
I don't agree with any of the above statements	10.0%	12.2%	7.7%	5.6%

Table 14. Attitude towards meeting tax obligations.

545	Which of the following statements best describes your attitude towards meeting your tax obligations?	Response frequency			Advisor opinion of client
		Supporter	Artists	Art organizations	
	I just ignore it	3.3%	2.0%	1.9%	11.1%
	I wish I had more money to seek professional advice	10.0%	25.5%	11.5%	25.0%
	I don't think it is fair to have to pay tax	6.7%	0.0%	0.0%	19.4%
550	I think it is important to pay my fair share of taxes	53.3%	44.9%	67.3%	25.0%
	I think the level of tax is too high	26.7%	27.6%	19.2%	19.4%

555 professional advice (Table 14). Similarly, 25% of advisors responded that they thought their clients would like to have more money to seek professional advice. However, when the income level of artists is taken into account, it is clear that those artists earning less than \$50,000 in artistic income are desirous of more money to seek professional advice (40%) compared to those artists earning more (13%) (Table 15). This would tend to indicate that the level of income is indicative of being able to seek professional tax advice.

560 There was emphasis placed on the importance of paying a fair share of tax (44.9% to 67.3%) – although advisors were more sceptical about this attitude in their client (25%). Indeed, 19.4% of advisors thought that their clients' attitude would be represented by "I don't think it is fair to have to pay tax". However, there were around 19.2 to 27.6% of participants who thought that the level of tax is too high. This may indicate that what is "fair" in terms of tax is variable among taxpayers.

565 Participants were asked to identify what they considered to be their biggest issue in terms of tax – with over 43.9% of most participants identifying that the complexity of the tax law as their biggest issue (Table 16). Advisors considered that insufficient record keeping as the second biggest issue for their clients (25%); however, neither supporters, artists nor arts organizations placed a similar emphasis on this (3.8% to 10%). This may indicate that taxpayers do not put enough emphasis on record keeping to assist with the preparation of their tax returns.

570

Tax awareness

575 Low awareness of any tax provisions can hinder their effectiveness. To try to ascertain awareness of current tax provisions, participants were asked to indicate from a list of 21 tax provisions relevant to the arts whether they had previously heard of them. Of course, their responses do

Table 15. Attitude towards meeting tax obligations and income levels.

580	Which of the following statements best describes your attitude towards meeting your tax obligations?	Response frequency	
		Artists – less than \$50,000	Artists – greater than \$50,000
	I just ignore it	3.6%	0.0%
	I wish I had more money to seek professional advice	40.0%	13.0%
	I don't think it is fair to have to pay tax	0.0%	0.0%
	I think it is important to pay my fair share of taxes	30.9%	56.5%
585	I think the level of tax is too high	25.5%	30.4%

Table 16. Tax issues.

What is your biggest issue in terms of tax	Response frequency			
	Supporter	Artists	Art organizations	Advisor opinion of client
Complexity of the tax law	53.3%	43.9%	55.8%	55.6%
Complexity of the Tax Pack	0.0%	3.1%	7.7%	5.6%
Frequency of changes	10.0%	8.2%	7.7%	2.8%
Complexity of GST	3.3%	3.1%	3.8%	2.8%
Insufficient record keeping	10.0%	6.1%	3.8%	25.0%
Insufficient money to pay	6.7%	8.2%	5.8%	2.8%
Other	16.7%	27.6%	15.4%	5.6%

not indicate the participants' level of understanding of the particular provisions – just their awareness. The findings are reported in Table 17 and Table 18. Across supporters, artists, arts organizations and advisors, awareness of ABN, GST and work-related deductions featured in the top four known tax provisions. Also, commonly known tax provisions across the top 10 were: self-employed persons' contribution to superannuation, CGT, DGR and guarantee superannuation for employees. However, the level of awareness within each category of participant did vary – for example, with guarantee superannuation 69% of supporters were aware of it, 65.3% of artists, 71.2% of arts organizations and 97.2% of advisors.

In terms of tax provisions that were less known, common in the bottom 10 over each category of participant were the workplace giving programme, deductions for donations of land, film offsets, PPFs and collectible CGT assets.

In looking at each category of participant separately, some observations include that only 42.9% of artists were aware of the income averaging provisions. This is of concern as these provisions exist to assist artists when they have fluctuating artistic income year to year. However, artists may rely on their advisors to apply these provisions, as 83.3% of advisors are aware of the income averaging provisions. This, however, raises concerns for those artists who do not use advisors in the preparation of their tax returns as they may be missing out on these provisions.

Also, only 33.7% of artists are aware of the Australia Cultural Fund administered by the Australian Business Arts Foundation (AbaF) – this is unfortunate as registration with this fund allows artists to indirectly attract tax deductible contributions to their endeavours through this intermediary, even though they themselves are not a DGR. Whether the existence of this fund would be brought to artists' attention by their advisors is questionable, given that only 47.2% of advisors were aware of the Fund. Note there is greater awareness of the Fund by employees of arts organizations (65.4%) – which maybe attributable to the fact that they have greater resources and potential to use it.

In a similar vein, only a small percentage of artists were aware of PPFs (14.3%) – which may be attributable to the fact that they are unlikely to be eligible for distributions from such funds. In comparison, employees of arts organizations had a greater awareness (50%) of PPFs, which is likely to be, in part, related to the fact of their potential eligibility for distributions.

Approximately only 41.7% of advisors indicated that they were aware of PPFs. This is consistent with previous studies that have found that advisors can be lacking the "hard technical tax knowledge" relevant to philanthropy (Cohen, 2002, pp. 53–54). Madden and Newton (2006, pp. 36–37) found that the capacity for advisors to provide philanthropic advice appeared to be lacking as a large percentage of advisors thought that they were only somewhat informed at best (compared with well informed or extremely informed).

Table 17. Awareness of tax provisions – artists and art organizations.

	Tax provision	Artists – response frequency	Tax provision	Art organizations – response frequency
635	1 GST	100.0%	GST	100.0%
	2 Australian Business Number	93.9%	Australian Business Number	98.1%
	3 Work-related deductions	75.5%	Deductible Gift Recipient	90.4%
	4 Capital gains tax	70.4%	Work-related deductions	84.6%
	5 Self-employed persons contribution to superannuation	69.4%	Capital gains tax	84.6%
640	6 Voluntary withholding agreements – PAYG	66.3%	Voluntary withholding agreements – PAYG	80.8%
	7 Guarantee superannuation for employees	65.3%	Self-employed persons contribution to superannuation	76.9%
	8 Deductible Gift Recipient	59.2%	Guarantee superannuation for employees	71.2%
645	9 Carrying on a business	51.0%	Australia Cultural Fund administered by Australian Business Art Foundation (AbaF)	65.4%
	10 Income averaging	42.9%	Deductions for charity dinners/ auctions	53.8%
	11 Deductions for charity dinners/ auctions	39.8%	Deductions for the donation of cultural goods	53.8%
650	12 Non-deductible entertainment expense	35.7%	Workplace Giving Program	53.8%
	13 Australia Cultural Fund administered by Australian Business Art Foundation (AbaF)	33.7%	Prescribed Private Funds (PPFs)	50.0%
655	14 Small business capital gains tax concessions	27.6%	Carrying on a business	48.1%
	15 Deductions for the donation of cultural goods	25.5%	Non-deductible entertainment expense	42.3%
	16 Film offsets	24.5%	Income averaging	38.5%
	17 Workplace Giving Program	21.4%	Small business capital gains tax concessions	30.8%
660	18 Non-commercial loss provisions	15.3%	Deduction for donation of land	26.9%
	19 Prescribed Private Funds (PPFs)	14.3%	Film offsets	23.1%
	20 Deduction for donation of land	13.3%	Non-commercial loss provisions	11.5%
	21 Collectible capital gains tax assets	11.2%	Collectible capital gains tax assets	11.5%

Another finding of potential concern is that only 15.3% of artists are aware of the non-commercial loss provisions. These provisions have the potential to quarantine losses from artistic business endeavours if conducted as a sole trader or partnership. It should be recalled that 33% of the artists surveyed did generate a loss in the last financial year, and 73% of those conducting a business did so as a sole trader or general partnership.

Of course, a reason for non-awareness of the non-commercial loss provisions is that artists may know of them under a different description or rely on their advisor. For example, 83.3% of advisors were aware of the non-commercial loss provisions, and in the written comments about tax issues the “loss rules” were mentioned a number of occasions by artists. Only 11.5% of employees of arts organizations indicated awareness of these the provisions, which is

Table 18. Awareness of tax provisions – art supporters and advisors.

	Tax provision	Supporter – Response Frequency	Tax provision	Advisor – Response Frequency
680	1 Australian Business Number	100.0%	Carrying on a business	100.0%
	2 GST	100.0%	Australian Business Number	100.0%
	3 Voluntary withholding agreements – PAYG	89.7%	GST	100.0%
	4 Work-related deductions	89.7%	Work-related deductions	100.0%
	5 Self-employed persons contribution to superannuation	82.8%	Guarantee superannuation for employees	97.2%
685	6 Capital gains tax	79.3%	Self-employed persons contribution to superannuation	97.2%
	7 Deductible Gift Recipient	75.9%	Voluntary withholding agreements – PAYG	97.2%
	8 Guarantee superannuation for employees	69.0%	Capital gains tax	97.2%
690	9 Small business capital gains tax concessions	62.1%	Deductible Gift Recipient	91.7%
	10 Carrying on a business	58.6%	Small business capital gains tax concessions	88.9%
	11 Non-deductible entertainment expense	51.7%	Non-deductible entertainment expense	88.9%
695	12 Deductions for charity dinners/ auctions	48.3%	Income averaging	83.3%
	13 Deductions for the donation of cultural goods	48.3%	Non-commercial loss provisions	83.3%
	14 Income averaging	44.8%	Deductions for the donation of cultural goods	80.6%
700	15 Australia Cultural Fund administered by Australian Business Art Foundation (AbaF)	41.4%	Collectible capital gains tax assets	80.6%
	16 Prescribed Private Funds (PPFs)	34.5%	Deductions for charity dinners/ auctions	75.0%
	17 Collectible capital gains tax assets	31.0%	Workplace Giving Program	69.4%
705	18 Film offsets	31.0%	Deduction for donation of land	55.6%
	19 Non-commercial loss provisions	27.6%	Australia Cultural Fund administered by Australian Business Art Foundation (AbaF)	47.2%
710	20 Deduction for donation of land	27.6%	Prescribed Private Funds (PPFs)	41.7%
	21 Workplace Giving Program	24.1%	Film offsets	38.9%

curious given frequency that the non-commercial loss provisions are mooted as a major concern facing the arts sector (Arts Law Centre, 2004; Australia Council for the Arts, 2009, p. 8).

For employees of arts organizations, there appears to be greater awareness of the donation provisions, which if they have DGR status is understandable. However, when analysing the tax provisions that advisors are least aware of, six of the bottom 10 related to donations (donation of cultural goods, charity dinners/auctions, workplace giving programme, donations of land, Australia Cultural Fund and PPFs). This may highlight that greater awareness of these provisions is needed to ensure that advisors are able to adequately discuss them with their clients; this is consistent with Madden and Newton's researching findings (2006, pp. 36–37).

Given the high awareness of ABN and GST across all categories of participants, this may reflect the effort made by the Tax Office and others, such as the Australia Council, in educating the public when these provisions commenced in 2000. Indeed, the survey findings may provide evidence of the benefit of a wide-scale public education campaign.

Qualitative comments

Through the qualitative comments made within the survey, comments arose as to access to professionals, tailored information, impact of second income and complexity. Some of the comments in relation to each of these topics are explored below.

Access to knowledgeable accountants and education

Respondents acknowledged that the complexity of the tax system can make it hard for artists to understand their tax obligations, which is then aggravated by artists not having enough money to seek professional advice:

Artists do not understand the tax system completely, which results in poor tax management. Also, as artists are required to have an ABN they must also submit a tax return as a business. This is very difficult without proper education. (Other)

Indeed, in the written comments by artists there were a number of comments acknowledging the low income level and how this can impede the ability to access tax technical advice:

Greatest [tax issue facing the arts] is probably overstating it but lack of affordable and accessible specialized accounting support. (Artist)

One artist earning greater than \$50,000 noted that s/he did not have a “tax issue” as s/he has an accountant to deal with it. Such advice was seen as important as comments focused on the importance of:

Educating artists with regard to their tax obligations and what they can claim as a deduction. (Artist)

Also concern was expressed about the consequences of not having adequate knowledge or advice:

Proving that you are a business and not a fraud! Keeping records consistent and knowing . . . knowledge is up to date on what is tax deductible and what isn't. (Artist)

However, it was raised that “tax” was not the only problem, as other business skills can be lacking:

Tax is not the greatest problem. Compliance costs associated with over regulation, especially OHS, do more damage than taxation. (Artist)

Tailored information

A number of written responses highlighted the need for tax information to be in a language “accessible” to artists:

Access to good (arts specific) information. (Artist)

Have an arts specific section to the ATO – including a web site section dedicated to arts tax reforms. (Artist)

No body or organization to help artists with tax obligations apart from ATO. (Artist)

Also, there were criticisms of private tax advisors being able to communicate to their clients in a clear manner. It was seen by some participants that professional knowledge of the arts is lacking:

Getting advice specific to being in the arts – general accountants don't seem to know all the ins and outs. (Artist)

Also there were comments that business and tax courses should be integral segments of artistic education:

All culturally related courses at TAFE or Uni should include robust small business management and for all participants and you need to pass this to graduate. (Artist)

Second income and averaging

Concerns were raised about the complexity and the operation of the averaging rules:

Special Professional Income Averaging rules should be improved. (Artist)

The calculation of special professional income averaging should be revised so that the earning of "other income" does not decrease the tax averaging benefit in a high arts income year. (Advisor)

There was greater emphasis by advisors for the need for reforms to the non-commercial loss provisions:

Lack of consistency between TR2005/1 which lays out the methods of carrying on artist business and then having the non-commercial losses legislation effectively override it. (Advisor)

Indeed there were comments that the non-commercial loss provisions should not apply to artists at all:

This is not "the greatest" issue but as a tax accountant for artists I believe it is very important and overdue to resolve this conflict between case law and statutory law. Provide an unconditional exemption for professional arts businesses (as recognized in case law and as per Taxation Ruling 2005/1) from the Division 35 Deferred non-commercial losses rules. (Advisor)

Complexity

Many of the respondents highlighted that it is the complexity of the tax system that is one of the greatest tax issues facing the arts:

Tax is extremely complex – much of the tax law I do not understand and I find it difficult to engage with the process due to this. Making tax simpler to understand might be a way of ensuring that all parties pay tax. (Artist)

Advisors particularly highlighted that "complexity" was an issue for the arts. Concern was also expressed as to the requirement for artists to be GST registered when their income fluctuates widely:

Artists shouldn't have to deal with BAS. Their income fluctuates so wildly anyway, so it is virtually impossible in many cases to project their GST turnover for the purposes of working out whether they should register or deregister for GST. (Advisor)

Reform without tax reform

Given the survey findings, it is argued that there are a number of changes that could occur without major reforms to the tax system that would assist those in the arts sector to meet their tax

obligations. For example, there is a need to communicate to artists their tax obligations in a format that is accessible to them. Given the findings about how and from whom artists gain their tax information, the Internet and the Tax Office play a pivotal role.

815 Recommendation 1: The Tax Office should be approached about drafting (in conjunction with industry input) more fact sheets and information tailored to artists' circumstances.

While arts organizations are important depositories of information, given the frequency of changes to tax and expertise required it might be preferential that greater utilization of the Tax Office is made. Indeed a number of arts organizations have information sites for artists – such as “Artist Career” website developed by NAVA and AbaF (www.artistcareer.com.au), which has business information and advice for visual art, craft and design practitioners. There is a tax topic on this website – how tailored it is, is questionable given that it links to the general government business website (www.business.gov.au) that then links to the Tax Office's website (www.ato.gov.au).

825 Recommendation 2: The Tax Office should be approached about the possibility of having a dedicated arts section on the Tax Office's web site (which it has done for non-profits).

The AbaF and the Australian Institute of Company Directors established “boardBank” to allow business professionals to volunteer their time. The idea of listing experts in an area has merit and could provide a valuable resource to artists.

Recommendation 3: Arts organizations should collate a register of specialist tax professionals who have a greater understanding of the arts sector and not-for-profits (including tax lawyers, accountants, tax agents and financial planners).

835 There are a variety of training opportunities available for artists through arts organizations, such as seminars (AbaF and Arts Queensland) and mentoring (Australia Council). The power of face-to-face conversation as a source of tax information appears important. However, given the frequency that artists seek to access this tax information, timing would appear critical as a majority of artists access tax information when preparing their tax returns.

840 Recommendation 4: Any tax seminars convened by arts organizations for artists should be timed around tax preparation time – say in July.

845 Recommendation 5: Arts organizations should try to develop greater relationships with tax professional bodies to see whether it is possible to provide more seminars for accountants and tax agents to consider those issues particular to the arts sector and not-for-profits.

Recommendation 6: Arts organizations should develop greater relationships with the Tax Office and co-host seminars to disseminate tax information to interested members.

850 Recommendation 7: Arts organizations providing grants to artists should consider linking the grants with professional development courses to encourage attendance at tax and business related seminars. Alternatively such courses could be an eligibility requirement for registration with the Australia Cultural Fund.

Recommendation 8: Arts organizations should develop better working relationships with Centrelink to facilitate better training for artists in business skills.

855 To assist emerging artists, consideration needs to be given to whether degrees or diplomas (conducted by Universities and TAFEs) have adequate coverage of business and tax issues.

Recommendation 9: Educational institutions should ensure that art degrees have a compulsory business course, covering such topics as business structures, assessable income, allowable deductions, what is a business for tax, record keeping, non-commercial loss provisions, income averaging and GST.

It is apparent from the findings that there is a sense that more can be done to educate and encourage private giving in Australia, this is despite efforts of the Australia Council through such initiatives as Art Support (www.australiacouncil.gov.au/philanthropy/artsupport_australia).

Recommendation 10: More (effective) guidelines should be produced to promote giving/donations to the arts.

Recommendation 11: Guidelines encouraging private giving need to be effectively disseminated, not only to individuals and arts organizations, but also professional advisors given their low awareness of “giving” provisions.

Recommendation 12: There needs to be greater promotion of the workplace giving programme to employers and employees.

Given the potential benefits of the use of intermediary DGRs, such as the Australia Cultural Fund, there needs to be greater awareness of the Australia Cultural Fund itself – particularly to advisors.

Recommendation 13: Awareness of the Australia Cultural Fund should be improved, particularly with advisors.

Given the extent of artists (particularly low income) and advisors reporting the need for artists to obtain professional advice, there is appeal in encouraging it. There are also a number of practical ways that access to advice could be facilitated:

Recommendation 14: Arts organizations should pursue establishing a relationship with the Tax Office so that a “tax assist” type programme could be established for artists (and other small business operators).

Recommendation 15: Arts organizations could provide subsidies for artists attending a meeting with a professional advisor (which could be set at a cap fee of \$50).

Recommendation 16: Arts organizations could set-up a cooperative scheme with universities, so that business and law students could provide initial business and tax advice to artist as a work integrated learning project.

Limitations and further research

The research outlined in this article has limitations that affect its findings and recommendations, including that many of the participants are likely to be from Queensland and not other states. The electronic nature of the survey may have excluded those who do not have access to the Internet – although conversely such a distribution technique may have opened up the survey to those who otherwise would not have been able to participate. Through the demographic data obtained there is a large representation from theatre, music and visual art, which may mean the results are not representative of other artistic endeavours. For example, there is a lack of representation from the film industry, which could influence the awareness of various tax provisions relevant for this sector.

Future research could consider the understanding of current tax provisions, as a lack of understanding (compared to just awareness) could inhibit the effectiveness of any provision. This

research could include the level of understanding of accountants and tax agents of tax provisions relevant to the arts sector as well as the non-for-profit sector.

Research could also be carried out to establish to what extent artists use accountants or tax agents to assist them in the preparation of their tax returns, and how this compares to the general population. This could consider characteristics that enhance or inhibit this relationship.

Further research could be conducted into awareness and understanding of the tax treatment of the non-profit sector, for example the distinction between DGR and TTC status. Another area of research could consider how best to present tax information to artists, given they may have particular learning styles that differ from other taxpayers.

Conclusion

This article has sought to provide a greater understanding of the relationship of those involved in the arts sector and the Australian tax system. It is argued that this understanding is critical to determine which, if any, of the recent mooted tax reforms should be considered further. To this end the survey detailed in this article considered how tax information is accessed, tax skills, tax attitude and tax awareness.

The findings demonstrated that the Tax Office is an important source of information for artists, although for those artists earning less than \$50,000 there can be a greater reliance on friends and relatives. Also, it is apparent that the Internet has become an important tool in accessing tax information, especially for those artists on lower incomes.

In terms of tax skills, although artists and arts organizations consider that they have good tax skills, advisors appear to be sceptical of their clients' abilities. Whereas there was support for the arts sector to give tax concessions compared to other industries, there was little support (except from arts organizations) for the art sector to pay no income tax at all. There was large support to paying a fair share of taxes, and about one-quarter of artists and advisors considered that more money is needed to finance access to tax advice.

The analysis of the findings cumulated in a number of recommendations which may assist the arts sector in meeting its tax obligations without the need for tax reforms. It is argued that these types of practical measures could ensure that tax reforms are not implemented just for change's sake.

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