

*Updating Charities and Not-For-Profit Organizations on recent legal developments and risk management considerations.*

## OCTOBER 2012

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Charities Legislation & Commentary, 2013 Edition Now Available!

### **19<sup>th</sup> Annual Church & Charity Law™ Seminar**

Hosted by Carters Professional Corporation in Mississauga, Ontario.

**Thursday, November 15, 2012.**

Register by November 9 for Early Bird rate at <http://www.charitylaw.ca>.

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## RECENT PUBLICATIONS AND NEWS RELEASES

### **Notice of Ways and Means Motion to Amend *Income Tax Act* Released**

Theresa L.M. Man.

On October 24, 2012, the Department of Finance released draft legislative proposals to implement outstanding income tax technical measures. The news release indicates that the release of these amendments is intended to clear the backlog of outstanding amendments to the *Income Tax Act* and related legislation. Included are proposed changes that will substantially impact the operations of registered charities in Canada, including changes to the definition of “gift,” split-receipting, designation of charitable organizations and public foundations, revocation of charitable registrations, etc. These proposed changes were first introduced by Finance on December 20, 2002, which then underwent various incarnations over the years. Although these proposed changes have yet to be enacted into law, the split-receipting rules have already been implemented by CRA in their administrative policies. See: <http://www.fin.gc.ca/drleg-apl/nwmm-amvm-1012-eng.asp>.

### **CRA News**

Karen J. Cooper.

#### **CRA Revokes Charitable Status of Glooscap Heritage Society**

On October 20, 2012, CRA revoked the charitable status of Glooscap Heritage Society (the “Society”), a Nova Scotia based charity that was involved in a tax shelter gifting arrangement. During an audit CRA found that from January 1, 2008, to December 31, 2009, the Society received over \$24.8 million in cash and in-kind donations. From the cash donated, CRA determined that the Society paid out over \$3.75 million dollars to Global Learning Gifting Initiative, a promoter of a tax shelter gifting program, and over \$8.76 million to another of the tax scheme’s participating charities, which thereby left only \$900,000 for use on the Society’s own activities. CRA also determined that over \$11.4 million in tax receipts had been issued for donated property, an amount that was found to be inflated as the Society failed to ensure that the correct fair market value of the property was recorded on the tax receipts. CRA revoked the status of the Society for engaging in activities beyond its charitable mandate, improperly issuing receipts, issuing receipts for non-gift transactions, failing to file an accurate information return, and for unduly delaying its obligation to meet its disbursement quota.

For more information on this decision see: <http://www.cra-arc.gc.ca/nwsrm/rlss/2012/m10/nr121019c-eng.html>

## **CRA Convictions**

On October 12, 2012, Samuel Yeboah Tanoh of Brampton pled guilty in the Ontario Court of Justice in Brampton, to one count of fraud over \$5,000. Mr. Tanoh operated as a director of Trans Xpress Cash Inc. and managed a tax preparation business in the Toronto area. CRA investigated Mr. Tanoh and found that he included false charitable donation receipts totalling \$13,579 on his client's 2005 and 2006 personal income tax returns. As a result of his conviction, Mr. Tanoh was fined \$6,789.

For more information, see: <http://www.cra-arc.gc.ca/nwsrm/cnvctns/on/on121018-eng.html>.

On October 17, 2012, Ms. Penelope Donick was sentenced in the Ontario Court of Justice in Toronto, to one year in jail and fined \$200,000 for pleading guilty to one count of fraud over \$5,000. A CRA investigation of Ms. Donick, an operator of a tax preparation business, found that between 2005 and 2008, Ms. Donick and her clients filed 269 false income tax returns that included over four million dollars of false charitable donation deductions, which Ms. Donick had sold to her clients for a fee.

For more information see: <http://www.cra-arc.gc.ca/nwsrm/cnvctns/on/on121019-eng.html>.

## **Setback in Battle Against Donation Scams**

Professor Adam Parachin in *Charity Law Bulletin* No. 291, October 24, 2012.

On October 2, 2012, the Tax Court of Canada (TCC) released its decision in *Guindon v. The Queen*. The case dealt with whether the third party penalties provided under section 163.2 of the *Income Tax Act* could be assessed against the appellant. The basic purpose of s. 163.2 is to provide for monetary penalties assessable against third parties who knowingly, or in circumstances amounting to gross negligence, participate in, promote, or assist conduct that results in another taxpayer making a false statement or omission in a tax return.

In a decision that bodes enormous implications for the future of s. 163.2, Justice Bédard concluded that the provision creates a criminal sanction that can only be prosecuted in provincial court in accordance with criminal procedure and *Charter* protections. This *Charity Law Bulletin* reviews the decision and its implications for charities.

### **Read More:**

[PDF] <http://www.carters.ca/pub/bulletin/charity/2012/chylb291.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/charity/2012/chylb291.htm>

## **Study on Tax Incentives for Charitable Donations Resumed**

Terrance S. Carter.

On October 3, 2012, the Standing Committee on Finance (SCOF) resumed its study on tax incentives for charitable donations with meeting number eight of twelve. The study had been on hold since May 8, 2012, so that SCOF could address Bill C-38 (the 2012 federal budget implementation bill). At the recent meeting, SCOF once again heard from expert witnesses from the charitable sector. The Canadian Bar Association recommended streamlining the regulations governing the receipt of donations. Other witnesses recommended that the government facilitate more loans and social investment into the charitable sector and differentiate its tax incentives to provide higher credits and deductions for contributions to the most pressing needs. As has been the case throughout this study, most of the witnesses also supported implementation of the Stretch Tax Credit that had been proposed by Imagine Canada.

While SCOF has not disclosed its agenda for its four remaining meetings on this topic, it is believed that the Committee will use these meetings to develop its recommendations and draft its report. It is hoped that the SCOF will complete its report in time for it to be considered for the 2013 federal budget. As such, it will be important for the charitable sector to continue to monitor SCOF's work on this important initiative.

The full transcript of the recent SCOF meeting is available at:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5738843&Language=E&Mode=1&Parl=41&Ses=1#Int-7702857>

## **Participation in Gifting Tax Shelter Scheme Results in Reassessment**

Karen J. Cooper.

The TCC has once again reaffirmed that participating in certain tax shelter or donation schemes will result in valid reassessments by CRA. In *Kossow K. v. The Queen*, 2012 TCC 325, the taxpayer was found to have not made a gift in accordance with section 118.1 of the *Income Tax Act* to Ideas Canada Foundation, a charity whose status was revoked in 2008 for participating in a leveraged charitable donation program. From 2000 to 2002, Ms. Kossow claimed charitable tax donations of \$160,000, of which only twenty percent was funded by Ms. Kossow's own cash. CRA determined that the other eighty percent was funded by a 25-year non-interest bearing loan provided by the organizers of the program, Berkshire Funding Initiatives Program and Talisker Funding Limited.

Canadian courts have defined a gift as being a “voluntary transfer of property owned by a donor to a donee, in return for which no benefit or consideration flows to the donor.” The TCC held that Ms. Kossow’s donations were conditional on whether her loan application was accepted and therefore did not make Ms. Kossow’s donation a gift, as the “25 year interest free loans were ‘significant benefits’ she (had) received in return for making her donations.” Also, since the cash donations Ms. Kossow made were interconnected to the donations from the loans, the Court held that there was only “one interconnected transaction” and Ms. Kossow was not eligible to receive a tax credit for her personal cash donations.

*Kossow K. v. The Queen* can be accessed online at: <http://canlii.ca/t/fsstb>.

## **Federal Government Considers Recognizing National Philanthropy Day**

Terrance S. Carter.

On October 16, 2012, Senator Terry M. Mercer presented Bill S-201 - *An Act Respecting A National Philanthropy Day*, to the Standing Committee on Canadian Heritage. This is the seventh time the Senator has proposed legislation recognizing November 15 as National Philanthropy Day and the closest he has come to realizing this objective. His previous attempts fell to the wayside when elections were called.

The Committee has now reported the Bill back to the House of Commons, without amendment, where it awaits third reading and passage. If passed, this legislation would create the world’s first nationally recognized philanthropy day. In his presentation to the Committee, Senator Mercer stated “The demand upon charities continues to grow, so we need to ensure that the donor and volunteer bases continue to grow to match it.” The Senator believes a National Philanthropy Day would encourage more Canadians to volunteer and donate and would provide an opportunity to simply say ‘thank you’.

Minutes of the October 16, 2012 Committee meeting are available at:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5754450&Language=E&Mode=1&Parl=41&Ses=1#Int-7718130>

## **Change to Reporting of Director’s Address**

Theresa L.M. Man.

Corporations Canada released a notice on September 26, 2012, stating that corporations, including those incorporated or continued under the *Canada Not-for-Profit Corporations Act*, will be able to provide an address for service for their directors other than a residential address. Therefore, a director will be able

to list a business address as the address for service. The director will need to ensure that the address provided would enable the director to receive legal documents, accept the documents themselves or have someone accept the documents on their behalf, and be able to provide an acknowledgement or delivery receipt if required. As a result of this change in policy, all relevant forms and other information documents available on Corporations Canada's website have been updated. For more information on this important change, see: <http://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs05432.html>.

### **Courts Provide Guidance on When a Director's Resignation is Valid**

Ryan M. Prendergast in *Charity Law Bulletin* No. 292, October 25, 2012.

Two recent Ontario decisions have dealt with the perplexing question of when the resignation of a director of a non-share capital corporation becomes effective and whether or not a director can later revoke such resignation after having made the resignation or, alternatively, before the date specified in the resignation. On June 28, 2012, the Ontario Superior Court of Justice released a decision in the matter of *Adams v. Association of Professional Engineers*. This decision then was applied in the decision of *Kandolo v. Kabelu*, which was released on September 7, 2012.

This *Charity Law Bulletin* summarizes these decisions, as well as provides commentary concerning the effective date of resignation of directors under the *Canada Not-for-profit Corporations Act* and the *Ontario Not-for-profit Corporations Act*.

#### **Read More:**

[PDF] <http://www.carters.ca/pub/bulletin/charity/2012/chylb292.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/charity/2012/chylb292.htm>

### **Lawsuit Against Corporate Sponsors Dismissed**

Barry W. Kwasniewski in *Charity Law Bulletin* No. 290, October 23, 2012.

Corporate sponsorship of charitable fundraising events is one of the keys to a successful campaign. However, if a participant in an event is injured, that participant may claim damages not only against the charity, but from the sponsor as well. In the recent Ontario Superior Court of Justice decision in *Boudreau v. Bank of Montreal*, the court dismissed, on a pre-trial motion, a claim for damages against corporate sponsors of a recreational soccer league. This Bulletin discusses this decision and analyzes how charities and not-for-profits may seek to limit their potential liability when organizing fundraising events.

#### **Read More:**

[PDF] <http://www.carters.ca/pub/bulletin/charity/2012/chylb290.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/charity/2012/chylb290.htm>

## Anti-Spam Information Bulletins Released by CRTC

Ryan M. Prendergast.

On October 10, 2012, the Canadian Radio-television and Telecommunications Commission (“CRTC”) published two bulletins concerning Bill C-28 (the “Anti-Spam Legislation”) and the *Electronic Commerce Protection Regulations* made by the CRTC under the Anti-Spam Legislation. The regulations were previously discussed in the March, 2012, *Charity Law Update*. Charities and non-profit organizations which send emails or other commercial electronic messages (for example, offers concerning goods, products or services, or advertisements for such opportunities) will want to review the CRTC information bulletins in order to verify if any compliance measures currently adopted by the charity or non-profit need to be modified or abandoned in light of these bulletins.

Specifically, Compliance and Enforcement Information Bulletin CRTC 2012-549 clarifies how consent can be obtained in accordance with the Anti-Spam Legislation and regulations. For example, the CRTC indicates that “opt-out consent mechanisms”, such as a box which must be unchecked on a website”, is not sufficient for the purposes of obtaining express consent under the Anti-Spam Legislation. However, opt-in measures, such as requiring someone to check a box or to enter their email into an email field will be considered express consent for the purposes of obtaining express consent.

Compliance and Enforcement Information Bulletin CRTC 2012-548 provides further details on CRTC’s interpretation of the regulations concerning the information to be include in a commercial electronic message, such as, the form of an unsubscribe mechanism which CRTC considers can be “readily performed” as defined by CRTC in accordance with the regulations.

The CRTC in a press release published on October 10, 2012 indicates that the Anti-Spam Legislation is expected to come into force in 2013. The press release also notes that the information bulletins are the first of a series to be released by the CRTC in order to facilitate compliance with the Anti-Spam Legislation. The press release and information bulletins can be found online at the following links:

CRTC press release: <http://www.crtc.gc.ca/eng/com100/2012/r121010.htm>

Compliance and Enforcement Information Bulletin CRTC 2012-548:

<http://www.crtc.gc.ca/eng/archive/2012/2012-548.htm>

Compliance and Enforcement Information Bulletin CRTC 2012-549:

<http://www.crtc.gc.ca/eng/archive/2012/2012-549.htm>



**Supreme Court Addresses Cyberbullying and Identification of Children**

Esther S.J. Oh.

On September 27, 2012, the Supreme Court of Canada (SCC) released its decision in *A.B. v. Bragg Communications Inc.*, 2012 SCC 46, a Nova Scotia case on cyberbullying, the vulnerability of children and the freedom of the press. In 2010, an unknown individual (the “Imposter”), posted a fake profile on Facebook using a picture of A.B., a fifteen year old girl, along with some of her identifying particulars and a slightly modified version of her name. The Imposter then proceeded to post sexually explicit references and unflattering comments about A.B.’s appearance. A.B., through her father as guardian, applied for a court order to force the provider of the IP address (Eastlink) to disclose more specific information about the Imposter, so that legal proceedings could be brought against him/her in an action in defamation. In A.B.’s application to the court, A.B. requested anonymity during the proceedings and a publication ban on the content of the profile. Although Eastlink did not oppose the motion for anonymity and the publication ban, two media enterprises, The Halifax Herald and Global Television, did.

As a result, the Nova Scotia Supreme Court granted the order to have Eastlink disclose the information about the Imposter, but did not grant the requests for anonymity or a publication ban, on the basis that there was “insufficient evidence of specific harm” to the fifteen year old girl. The Nova Scotia Court of Appeal upheld the verdict on the basis that A.B. had not “discharged the onus of showing that there was real and substantial harm to her which justified restricting access to the media.” However, the SCC partially overruled the lower courts and held that A.B. could remain anonymous, but any non-identifying information from the Facebook profile could be published, as none of the information could be connected to A.B. In reaching its decision, the SCC noted that the freedom of the press can be restricted where children need to be protected from cyberbullying and where their privacy rights need to be protected. In this regard, the SCC recognized that children are inherently vulnerable, and that in a court application involving cyberbullying, no child needs to demonstrate that he or she is vulnerable based on their personal sensitivities. The SCC also noted that if children are not allowed anonymity in such court applications, then they may experience inevitable harm by not being able to undertake steps to protect themselves from cyberbullying due to a risk of further harm from public disclosure.

To read the decision in full, please see the full case available online at: <http://canlii.ca/t/fstvg>



**Federal Government Reviews the Lobbying Act**

Nancy E. Claridge.

The Federal Government presented its response on September 17, 2012, to the report by the House of Commons Standing Committee on Access to Information Privacy and Ethics (the “Committee”) on the statutory review of the *Lobbying Act* (the “Act”), which had been presented to the House on May 14, 2012 (the “Report”). The Government’s response to the Report, entitled “Statutory Review of the *Lobbying Act: Its First Five Years*” (the “Response”) concluded that the Act has delivered greater accountability and transparency to Canadians and suggested that in considering amendments to the Act the Government would need to maintain the balance between maintaining public confidence in government decision-making and ensuring free and open access to government.

In responding to the Committee’s 11 recommendations, the Government indicated that it supported the Committee’s recommendations concerning improving the accuracy of monthly reports and the administration of post-employment lobbying restrictions by a single authority. The Government concurred with six of the recommendations and indicated that it will consider means of implementing them that maximizes their effectiveness while minimizing the administrative burden. This included recommendations concerning eliminating the distinction between in-house lobbyists (corporations) and in-house lobbyists (organizations); allowing board members to be included in an in-house lobbyist return; and imposing an explicit ban on the receipt of gifts from lobbyists.

The Government will “continue to study” the three remaining recommendations. One such recommendation is of particular interest to charities. Committee recommendation #2 recommended the removal of the “significant part of duties” threshold for in-house lobbyists. Subsection 7(1) of the Act for in-house lobbyists (corporations and organizations) requires that the officer responsible for filing returns must register that corporation or organization and file a return when one or more employees communicate with public office holders on behalf of the employer, and those duties constitute a significant part of the duties of one employee or would constitute a significant part of the duties of one employee if they were performed by only one employee. The threshold after which lobbying represents a significant part of one’s duties has been established at 20% or more of overall duties, and currently involves a rather nuanced examination of the employee’s duties, the time involved and the importance of the communications. The Committee made the recommendation, commenting that the threshold is difficult to calculate and even more difficult to enforce. In addition to recommending the removal of the threshold, the Committee recommended that Parliament give consideration as to whom the legislation

should capture and whether a limited set of exemptions might be necessary for organizations such as charities.

The Committee's Report and the Federal Government's Response are available at:

<http://www.parl.gc.ca/CommitteeBusiness/StudyActivityHome.aspx?Cmte=ETHI&Language=E&Mode=1&Parl=41&Ses=1&Stac=4317928>.

## **Tax Efficient Giving**

Theresa L.M. Man. Prepared for CIBC Wood Gundy.

Making a charitable gift is about more than engaging in philanthropy, as you will also receive an official donation tax receipt for a favourable non-refundable tax credit to help you reduce the taxes you pay. A number of changes to the tax rules on charitable giving have been made in recent years. It is very important to be aware of these new changes as part of your charitable gift planning. However, notwithstanding these recently proposed limitations, with careful tax and estate planning, you can take full advantage of various types of tax incentives provided for charitable donations and achieve a win-win scenario for both you and your chosen charity.

### **Read More:**

[PDF] <http://www.carters.ca/news/2012/tlm-cibc.pdf>

## **Mission Drift and Corporate Objects**

Terrance S. Carter and Barry W. Bussey in *Church Law Bulletin* No. 42, October 26, 2012.

Note: The following *Church Law Bulletin* consists of the speaking notes used by the authors at a seminar given at the Canadian Conference of Christian Churches in Vancouver on September 25, 2012. As such, the following is written as informal guidance concerning the important topic of compliance with a charity's stated purposes. It has also been written primarily for religious organizations which are incorporated, but the same comments can apply to other registered charities as well.

In your ministry you may find that as you go about your busy schedule, from one project to another, you may not notice the incremental shifts of focus occurring in your organization. At its founding, your organization would have had a clear mission statement, vision, and/or goal. These are reflected in the corporate objects (or "purposes" under the *Canadian Not-for-profit Corporations Act* (CNCA), collectively referred to in this presentation as "objects") filed with your incorporating documents at the appropriate government registry and also filed with the Canada Revenue Agency (CRA) when it was registered as charity for *Income Tax Act* purposes. The objects are in essence the lens through which all

of the ministry projects must be viewed – they are the touchstone that you must go back to periodically to determine your organization’s course. Yet, in many cases, we have noted that what organizations say on paper is very different from what is done in practice. If you were setting up your ministry today from scratch, would you do things differently? If so, you may have already experienced mission drift.

**Read More:**

[PDF] <http://www.carters.ca/pub/bulletin/church/2012/chchlb42.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/church/2012/chchlb42.htm>

## **Proposed By-laws Would Prevent Places of Worship from Locating in Industrial Areas**

Jennifer M. Leddy.

Toronto’s Planning and Growth Management Committee (the “Committee”) is considering draft City-wide Zoning By-laws that would prohibit new places of worship in the city’s Employment Industrial zones without obtaining permission through a rezoning application. Lawful existing places of worship would be permitted to stay and even expand if possible under the current zoning requirements.

During public consultations conducted by City of Toronto staff, members of faith communities expressed concern that new religious communities would not be able to find a place to worship because buildings located outside of industrial zones are too expensive. Meanwhile, members of the industry sector support the rule because they fear that having places of worship near their industrial complexes will expose them to noise and nuisance complaints.

In their background report dated September 27, 2012, Toronto’s City Planning Division recommended the Committee endorse the draft City-wide Zoning By-laws. However, following their October 12, 2012, meeting the Committee instead directed the City Planning Division to hold a working group meeting with Faith Communities to review the draft by-laws and to discuss where, and under what conditions, places of worship can locate.

Details of the October 12, 2012, Planning and Growth Management Committee meeting and a link to the Staff Report are available at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.PG18.7#>

You may share your opinion with the City Planning Division using the following contact information:

[http://www.toronto.ca/planning/contact\\_zbep.htm](http://www.toronto.ca/planning/contact_zbep.htm)

## **Report Supports Aid Workers Providing Assistance in Areas of Crisis**

Terrance S. Carter.

The Norwegian Refugee Council and the Overseas Development Institute released a report this month exploring the challenges organizations face when providing humanitarian assistance during a crisis. The report, entitled *Tools for the job: Supporting Principled Humanitarian Action*, states that humanity, impartiality, independence and neutrality are the guiding principles of humanitarian action and are codified in international law. Based on case studies from Afghanistan, the Democratic Republic of the Congo, Pakistan and South Sudan, the report found these principles were jeopardized when donor countries allow their political and military objectives to become entwined with their humanitarian aid objectives. In these circumstances, aid workers are less secure and have less access to people in need, causing increased suffering to victims. The report makes the following recommendations for donor countries: 1) adhere to their commitment to the four guiding principles of humanity, impartiality, independence and neutrality; 2) avoid defining humanitarian action narrowly, 3) segregate humanitarian action from stabilization and counterinsurgency strategies, and 4) avoid military measures that encroach on humanitarian efforts.

A copy of the report is available on line at: [http://www.nrc.no/arch/\\_img/9662774.pdf](http://www.nrc.no/arch/_img/9662774.pdf).

## **Charities Legislation & Commentary, 2013 Edition Now Available!**

Co-Edited by Terrance S. Carter, Adam M. Parachin, and Maria Elena Hoffstein (LexisNexis Butterworths, October 2012).

The purpose of this consolidation is to assist those undertaking research in the area of charity law. Anyone who has undertaken research in this field can attest to the fact that the statutory regime governing charities consists of numerous, complex and, in some cases, unexpected legislative requirements. There is no single statute that sets out all of the legislative requirements applicable to charities. The statutory provisions applicable to charities are instead set out in multiple federal and provincial statutes. The consequence is that an applicable statute or legislative amendment can all too easily be overlooked.

This consolidation aims to facilitate charity law research by setting out excerpts from, and in some cases the entire text of, the key federal and Ontario statutes that apply to charities current to August 14, 2012, including changes introduced by the 2012 federal budget.

Selected and prepared by charity law experts Terrance Carter, Professor Adam Parachin and Maria Elena Hoffstein, this unique publication provides a useful reference for anyone researching key federal

and Ontario statutes governing charitable organizations. The 2013 edition compiles, describes or otherwise takes account of some approximately 145 statutes and 75 regulations.

**Read More:**

[PDF] <http://www.carters.ca/pub/book/2012/CL13comment.pdf>

[Order the Book] <http://www.lexisnexis.ca/bookstore/bookinfo.php?pid=2015>

## IN THE PRESS

**Directors' due diligence important to prevent CRA penalties** by Ryan M. Prendergast.

*Hilborn eNews, October 18, 2012.*

[Link] <http://charityinfo.ca/articles/Directors-due-diligence-important-to-prevent-CRA-penalties>

**What are the Issues for Non-Profit Organizations When Earning Non-Membership Income?** by Karen J. Cooper.

*Forum Trillium Chapter, Canadian Society of Association Executives, October 2012, Quarter 3.*

[Link] <http://mediaedge.imirus.com/Mpowered/book/vforum12/i3/p30>

**Ineligible Directors** paper presented by Karen J. Cooper at The 2012 National Charity Law Symposium in Toronto, Ontario, on May 4, 2012, was included as a reference by Kenneth Bell CA in the Brampton, Ontario, accounting firm's newsletter.

*Kenneth Bell CA Newsletter, Fall 2012.*

<http://www.carters.ca/pub/article/charity/2012/kjc0504.pdf>

## RECENT EVENTS AND PRESENTATIONS

**Association of Treasurers of Religious Institutes 25th Anniversary** included a presentation by Karen J. Cooper on September 30, 2012, entitled "Essential Charity Law Update."

[Web] <http://www.carters.ca/pub/seminar/church/2012/kjc0930.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2012/kjc0930.pdf>

**CIBC Wood Gundy National Business Conference** included a presentation by Theresa L. Man on October 11, 2012, entitled "The Use of Private Foundations for Planned Giving."

[Web] <http://www.carters.ca/pub/seminar/charity/2012/tlm1011.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/tlm1011.pdf>

**Joint Estate Planning Seminar** included a presentation by Karen J. Cooper on October 12, 2012, entitled "Crafting Your Will to Secure Your Family and Charity."

[Web] <http://www.carters.ca/pub/seminar/charity/2012/kjcbwk1012.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/kjcbwk1012.pdf>

**Pillar Nonprofit Network “Foundation Investment Forum: Philosophy, Process and People”** included a presentation by Theresa L.M. Man on October 16, 2012, entitled “Emerging Issues for Foundation Directors.”

[Web] <http://www.carters.ca/pub/seminar/charity/2012/tlm1016.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/tlm1016.pdf>

**Kenora Rainy River DVCCC Community Capacity Training 2012** on October 18, 2012, included the following presentations by Ryan M. Prendergast:

“Legal Duties and Liabilities of Directors and Officers of Charities and Not-for-Profits and Risk Management,” and

[Web] <http://www.carters.ca/pub/seminar/charity/2012/rmp1018.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/rmp1018.pdf>

“Ontario *Not-For-Profit Corporations Act, 2010*.”

[Web] <http://www.carters.ca/pub/seminar/charity/2012/rmp1018b.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/rmp1018b.pdf>

**Ontario Land Trust Alliance (OLTA)** seminar on October 19, 2012, included the following presentations by Karen J. Cooper:

“Update on Continuing Under the Canada and Ontario Not-for-Profit Corporation Acts,” and

[Web] <http://www.carters.ca/pub/seminar/charity/2012/kjc1019a.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/kjc1019a.pdf>

“Demystifying Tax Changes for Land Trusts.”

[Web] <http://www.carters.ca/pub/seminar/charity/2012/kjc1019b.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/kjc1019b.pdf>

**OACAO Annual Conference 2012 (Older Adults Centre’s Association of Ontario)** on October 23, 2012, included a presentation by Terrance S. Carter entitled “The In’s and Out’s of the Canada Not-for-Profit Corporations Act (CNCA) and the Ontario Not-for-Profit Corporations Act (ONCA).”

[Web] <http://www.carters.ca/pub/seminar/charity/2012/tsc1023.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2012/tsc1023.pdf>

## UPCOMING EVENTS AND PRESENTATIONS

**The 19<sup>th</sup> Annual Church & Charity Law™ Seminar** will be held at Portico Community Church in Mississauga, Ontario, on Thursday, November 15, 2012. Fee increases after November 9, 2012.

Details and online registration are available at <http://www.charitylaw.ca>.

**Canadian Construction Association (CCA) Conference** being held in Montreal on October 25, 2012, will include a presentation by Karen J. Cooper.

**Imagine Canada's Charity Tax Tools Webinar** will be a presentation by Theresa L.M. Man on October 31, 2012, entitled "CNCA: Continuance and More."

Register at <http://www.imaginecanada.ca/civCRM/event/info?reset=1&id=154>.

**Canadian Society of Association Executives (CSAE) National Conference & Showcase** on November 3, 2012, will include a presentation by Karen J. Cooper entitled "Update and Maintaining Your NPO Status."

Details at <http://www.csae.com/CoursesEvents/Details/tabid/176/ArticleId/1424/CSAE-2012-National-Conference-Showcase.aspx>.

**A Canadian Bar Association Profession Development Program** being held in Toronto on November 13, 2012, will include a panel discussion with Terrance S. Carter and M. Elena Hoffstein of Fasken Martineau DuMoulin LLP on Practical Issues Arising from the CRA Guidance on Fundraising.

Details at [http://www.cba.org/pd/details\\_en.aspx?id=ON\\_12CHA1113T](http://www.cba.org/pd/details_en.aspx?id=ON_12CHA1113T).

**AFP Congress 2012** being held in Toronto will include Terrance S. Carter and M. Elena Hoffstein of Fasken Martineau DuMoulin LLP in informal "Ask the Expert" sessions on November 19 and 20, 2012.

Details at <http://afptoronto.org/index.php/congress>.

**World Vision Canada – Law Day 2012** will include a presentation by Terrance S. Carter entitled "Essential Charity Law Update" on November 27, 2012.

**Institute of Corporate Directors – Breakfast Seminar** on November 28, 2012, will include Terrance S. Carter participating in a panel discussion on the CNCA and ONCA.

[http://www.icd.ca/source/Meetings/custMeetingChooseRegistrants.cfm?section=Upcoming\\_Events1&PRODUCT\\_MAJOR=ONPM121128](http://www.icd.ca/source/Meetings/custMeetingChooseRegistrants.cfm?section=Upcoming_Events1&PRODUCT_MAJOR=ONPM121128)

**Imagine Canada's Charity Tax Tools Webinar** will be a presentation by Karen J. Cooper on November 29, 2012, entitled "Ineligible Individuals and Related Governance Issues."

Register at <http://www.imaginecanada.ca/civCRM/event/info?reset=1&id=155>.

**Imagine Canada's Charity Tax Tools Webinar** will be a presentation by Terrance Carter on December 4, 2012 (postponed from October 16), entitled "An Extended Overview of Directors and Officers Duties and Liabilities."

Register at <http://www.imaginecanada.ca/civCRM/event/info?reset=1&id=153>.



## CONTRIBUTORS

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**Dean E. Blachford** – Mr. Blachford graduated from McGill University in 2012 with degrees in civil and common law. During his legal studies, Mr. Blachford coordinated McGill’s High School Outreach Program which provides legal and civic education to underprivileged youth. He also proudly served on the board of directors for Montreal’s Mile End Community Mission. Prior to his legal studies, he spent two years teaching grade four in Inukjuak, Nunavik. Before leaving the North, he co-founded a summer program, called Proud Reunions, for children and youth in the region. Mr. Blachford continues to oversee the program, which has affected hundreds of young people.



**Tanya L. Carlton** – Ms. Carlton graduated from the University of Ottawa, Faculty of Law in 2011. Prior to attending law school, Tanya earned a B.Sc. (Hons.) in Biochemistry from Bishops University and a B.Ed. from the University of Western Ontario. After teaching high school math and chemistry for several years, she took a hiatus and started a family. Throughout this time, she maintained her status as an Ontario Certified Teacher and served as an elected Municipal Councillor. Before articling with Carters, Ms. Carlton gained legal experience during the summers as a research assistant for several Ottawa-based teaching lawyers.



**Terrance S. Carter** – Managing Partner of Carters, Mr. Carter practices in the area of charity and not-for-profit law, is counsel to Fasken Martineau DuMoulin LLP on charitable matters, is a member of the Technical Issues Group of Canada Revenue Agency’s (CRA) Charities Directorate representing the Canadian Bar Association (CBA), a past member of CRA’s Charity Advisory Committee, Past Chair of the CBA National Charities and Not-for-Profit Section, is recognized as a leading expert by *Lexpert* and *The Best Lawyers in Canada*, is consulting editor of *Charities Legislation and Commentary* (LexisNexis, 2013), and editor of [www.charitylaw.ca](http://www.charitylaw.ca), [www.churchlaw.ca](http://www.churchlaw.ca) and [www.antiterrorism.ca](http://www.antiterrorism.ca).



**Nancy E. Claridge** – Called to the Ontario Bar in 2006, Ms. Claridge is a partner with Carters practicing in the areas of charity, anti-terrorism, real estate, corporate and commercial law, and wills and estates, in addition to being the firm’s research lawyer and assistant editor of *Charity Law Update*. After obtaining a Masters degree, she spent several years developing legal databases for LexisNexis Canada, before attending Osgoode Hall Law School where she was a Senior Editor of the *Osgoode Hall Law Journal*, Editor-in-Chief of the *Obiter Dicta* newspaper, and was awarded the Dean’s Gold Key Award and Student Honour Award.



**Karen J. Cooper** – A partner with the firm, Ms. Cooper is recognized as a leading expert by *Lexpert* and *Best Lawyers* practicing charity and not-for-profit law with an emphasis on tax issues at Carters’ Ottawa office, having formerly been a Senior Rulings Officer with the Income Tax Rulings Directorate of Canada Revenue Agency, as well as former counsel for the Department of Justice in tax litigation. Ms. Cooper also has considerable teaching experience, including as part-time professor at the University of Ottawa, Faculty of Common Law, and is a contributing author to *The Management of Charitable and Not-for-Profit Organizations in Canada* (LexisNexis Butterworths).



**Barry W. Kwasniewski** - Mr. Kwasniewski joined Carters’ Ottawa office in October 2008 to practice in the areas of employment law, charity related litigation, and risk management. Called to the Ontario Bar in 1990, Barry has a wide range of litigation experience, including in commercial disputes, personal injury, long-term disability, employment, insurance defence, and professional liability. Barry is a volunteer lawyer at Reach Canada, is on the Board of directors of the Vista Centre, and has assisted in several United Way campaigns.



**Jennifer Leddy** – Ms. Leddy joined Carters’ Ottawa office in March 2009 to practice charity and not-for-profit law following a career in both private practice and public policy. Ms. Leddy practiced with the Toronto office of Lang Michener prior to joining the staff of the Canadian Conference of Catholic Bishops (CCCB). In 2005, she returned to private practice until she went to the Charities Directorate of the Canada Revenue Agency in 2008 as part of a one year Interchange program, to work on the proposed “Guidelines on the Meaning of Advancement of Religion as a Charitable Purpose.”



**Theresa L.M. Man** – A partner with Carters, Ms. Man practices charity and not-for-profit law and is recognized as a leading expert by *Lexpert* and *Best Lawyers*. She is an Executive Member of both the Charity and Not-for-Profit Sections of the Ontario Bar Association (OBA) and the Canadian Bar Association (CBA). In addition to being a frequent speaker at seminars hosted by Carters, the CBA and the OBA, Ms. Man has also written articles for numerous publications, including *The Lawyers Weekly*, *The Philanthropist*, *Planned Giving Pulse*, *International Journal of Civil Society Law*, *The Bottom Line*, *Canadian Fundraiser*, and *Charity Law Bulletin*.



**Esther S.J. Oh** – A partner with the firm, Ms. Oh practices in charity and not-for-profit at Carters’ Mississauga office, and is recognized as a leading expert in charity and not-for-profit law by *Lexpert*. Ms. Oh is a frequent contributor to [www.charitylaw.ca](http://www.charitylaw.ca) and the *Charity Law Bulletin*, and has spoken at the annual Church & Charity Law™ Seminar as well as at the Canadian Bar Association/Ontario Bar Association’s 2nd National Symposium on Charity Law. Ms. Oh’s volunteer experience includes formerly serving as board member and corporate secretary of a national umbrella organization, and a director at a local community organization.



**Adam Parachin** - Professor Adam Parachin researches and writes in the areas of property, trust and tax law. His primary scholarly focus is on the legal regime governing the succession of wealth in support of philanthropic works. His published materials and works in progress explore the legal construction of charity with a view to illuminating the definition, regulation and privileging of charity in law. Prior to becoming a law professor, Professor Parachin worked as an associate in the estates, trusts and charities department of one of Canada’s leading law firms.



**Ryan Prendergast** –Called to the Ontario Bar in 2010, Mr. Prendergast joined Carters to practice in the areas of charity and not-for-profit law, corporate and commercial law, and human rights law. A graduate of the University of Ottawa, Faculty of Law, Mr. Prendergast was a caseworker for the Criminal Division at the University of Ottawa Community Legal Aid Clinic, completed a research project for Ecology Ottawa on municipal by-laws, and worked for the Crown Attorney’s Office in Toronto as a summer student. During his articles, he acquired experience in charity and not-for-profit law, and contributed to several *Charity Law Bulletins* and other publications.

## ACKNOWLEDGEMENTS, ERRATA AND OTHER MISCELLANEOUS ITEMS

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