

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

OCTOBER 2013

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Charities Legislation & Commentary, 2014 Edition Now Available!

20th Annual Church & Charity Law™ Seminar

Hosted by Carters Professional Corporation in Greater Toronto, Ontario, on **Thursday, November 14, 2013.**

Details and registration available at www.charitylaw.ca.

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RECENT PUBLICATIONS AND NEWS RELEASES

Budget 2013 Implementing Act No. 2 Introduced

Theresa L.M. Man.

On October 22, 2013, Bill C-4, *Economic Action Plan 2013 Act, No. 2*, was introduced and given first reading in the House of Commons. This is a continuation of the implementation of Budget 2013. The first portion of Budget 2013 was implemented by the enactment of Bill C-60, *Economic Action Plan 2013 Act, No. 1* on June 26, 2013. The Bill underwent second reading on October 29, 2013, and has now been referred to committee in the House of Commons.

Bill C-4, proposes to implement the remaining measures proposed in Budget 2013, including amending the *Income Tax Act* to close tax loopholes and combat tax evasion. In this regard, Bill C-4 proposes to extend the reassessment period for reportable tax avoidance transactions and tax shelters where information returns required to be filed under the *Income Tax Act* relating to the tax shelter have not been filed on time. The normal assessment period for most taxpayers is three years. Bill C-4 will extend this period by a further three-year period by inserting new paragraphs 152(4)(b.1) and (b.2), replacing paragraph 152(4)(c) and inserting a new paragraph 152(4)(c.1).

The status of Bill C-4 can be followed online at:

<http://www.parl.gc.ca/LegisInfo/BillDetails.aspx?Language=E&Mode=1&billId=6258538>

For further information regarding Budget 2013's tax shelter provisions, see Charity Law Bulletin No. 306, *2013 Federal Budget: New Donor Tax Credit, GST/HST and Anti-Tax Shelter Provisions Affecting Charities* at: <http://www.carters.ca/pub/bulletin/charity/2013/chylb306.pdf>.

CRA News

Karen J. Cooper.

Webinars

CRA has posted webinars, which are accessible as a video segment or written transcript, that provide information about a number of topics:

- Guidance CG-018, Arts Activities and Charitable Registration, see <http://www.cra-arc.gc.ca/vdglry/chrts-gvng/rtscvtvs-eng.html?clp=chrts-gvng/rtscvtvs-01-eng&fmt=mp4>

- Guidance CG-014, Community Economic Development Activities and Charitable Registration, see <http://www.cra-arc.gc.ca/vdglry/chrts-gvng/cmmnty-eng.html>
- Form T3010 (13), the Registered Charity Information Return, see <http://www.cra-arc.gc.ca/vdglry/chrts-gvng/cmpltngt3010-eng.html?clp=chrts-gvng/cmpltngt3010-01-eng&fmt=mp4>

Non-Profit Organizations – Government Funding Form GST523-1

A non-profit organization may qualify for the public service bodies' rebate in respect of HST/GST that it has paid if its government funding is at least 40% of the organization's total revenue. The non-profit organization must file the GST523-1 form to claim the public service bodies' rebate. To download the form, see <http://www.cra-arc.gc.ca/E/pbg/gf/gst523-1/>.

Political Activities Self-Assessment Tool

CRA has released a self-assessment tool to help charities determine whether they are carrying on political activities, whether any political activities are within the *Income Tax Act* limits, and whether they are accounting for any political activities. The self-assessment is intended to help charities determine whether the resources they use for political activities may pose a problem for the CRA. To view the self-assessment tool, see <http://www.cra-arc.gc.ca/chrts-gvng/chrts/cmmnctn/pltcl-ctvts/slf-ssmnt-tl-eng.html>.

Bill C-458, National Charities Week Act Withdrawn

Esther S.J. Oh.

On October 23, 2013, there was unanimous consent in the House of Commons to “discharge and withdraw” Bill C-458, *National Charities Week Act*. Bill C-458 was a private member's bill that was originally sponsored by Peter Braid and which received second reading on May 29, 2013. It proposed to make the last week of February each year “National Charities Week” and also proposed to amend the *Income Tax Act* to extend the deadline for people claiming charitable gifts for tax purposes to the first 60 days in the following calendar year.. This would have allowed taxpayers to make eligible charitable donations until the end of February which could be claimed for tax purposes in relation to the previous calendar year. If it had not been withdrawn, the extended deadline for charitable donations would have coincided with the deadline for RRSP contributions which can be made up until the end of February and allocated for tax purposes to the previous calendar year. The withdrawal of Bill C-458 arose because Mr.

Braid, who sponsored the bill as a private member's bill, was appointed as Parliamentary Secretary to the Minister of Infrastructure and Communities on September 19, 2013.

Modifications Made to CRA Policy Statement on Political Activities

Terrance S. Carter and Ryan M. Prendergast.

Registered charities should be aware that CRA has made a number of technical modifications to its Policy Statement on Political Activities, CPS-022 originally issued on Sept 2, 2003 (the "Policy Statement") as a result of the changes introduced by Budget 2012 and its implementing legislation concerning political activities. For ease of reference, these technical modifications which were posted on December 11, 2012, are summarised below as follows:

- a) An explanation in paragraphs 6.2 and 10 that the legislative changes made by Budget 2012 mean that political activities now include the making of gifts to qualified donees that are intended for political activities;
- b) An explanation in paragraph 12 that the "substantially all" (i.e. 90% or more) allocation rule for charitable activities does not apply to gifts made to qualified donees that are intended for political activities, but instead, the part of the gift intended for political activities can now "be treated as a separate transaction where the intent of the donor is clear";
- c) An update in Appendix I of references to the disbursement quota by deleting reference to the 80% disbursement quota that had been repealed by the 2010 Budget, as well as updating the definition of qualified donee; and
- d) A number of updated legislative provisions in Appendix II.

The balance of the Policy Statement on Political Activities remains as it was before Budget 2012.

For background information on Budget 2012's impact on political activities, see *Charity Law Bulletin* No. 286 online at: <http://www.carters.ca/pub/bulletin/charity/2012/chylb286.htm>.

Bill S-202 Could Eliminate Credit Card Acceptance Fees for Charities

Ryan M. Prendergast

Bill S-202, *An Act to Amend the Payment Card Networks Act (credit card acceptance fees)*, was introduced in the Senate and received first reading on October 17, 2013. Bill S-202 proposes to limit credit card acceptance fees charged by "designated payment card networks" to merchants who accept

payment by credit card.. The proposed limit under the Act applicable to charities would mean the elimination of any credit card acceptance fees being charged to charities at all, although Bill S-202 would allow the Minister of Finance to amend that limit “by order.” Under Bill S-202, credit card acceptance fees are defined as “fees that a merchant incurs for accepting a payment by credit card [including] the interchange fee and any other fees related to the transmission or processing of payment transaction”, often paid as a percentage of the value of each transaction. Bill S-202 proposes to designate only MasterCard and Visa but not any other credit card networks at this time, such as American Express.

If passed without amendments, Bill S-202 would obviously benefit charities that fundraise by allowing donations to be made by credit card. However, since Bill S-202 has not designated any other payment card networks at this point in time, charities will still be charged credit card acceptance fees by payment card networks that they deal with other than MasterCard or Visa.

Bill S-202 is available online at:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=6257128&File=4>.

Foreign Corruption Issues for Charities Operating Outside Of Canada

Terrance S. Carter in *Charity Law Bulletin* No. 323, October 29, 2013.

This *Charity Law Bulletin* provides a brief overview of some of the foreign corruption issues involving bribery that Canadian charities operating outside of Canada need to be aware of. “Bribery” is generally understood to mean “offering, promising or giving someone a financial or other advantage to encourage them to perform their functions or activities improperly.” The *United Nations Convention Against Corruption* denounces bribery of national public officials, foreign public officials and officials of public international organizations, as well as bribery in the private sector. It is unlikely, although not impossible, that charities might encounter this type of corruption domestically. However, in some areas of the world, bribery may be so prevalent that the employees and agents of a charity operating in those areas may be put under pressure to provide bribes of one sort or another in order to accomplish their intended charitable programmes.

Charities, of course, are prohibited from engaging in bribery, since to do so would constitute giving an unacceptable private benefit in violation of the charity’s charitable purpose. Any charity involved in such activities could face loss of charitable status, as well as allegations of breach of trust through the misapplication of charitable property. This in turn could leave the directors and officers of the charity

open to personal liability for the misapplication of charitable funds or property that had been paid out as a bribe.

Read More:

[PDF] <http://www.carters.ca/pub/bulletin/charity/2013/chylb323.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/charity/2013/chylb323.htm>

Court Dismisses Appeal in *Sowah v The Queen*

Karen J. Cooper

The Tax Court of Canada released its decision in *Sowah v The Queen* (2013 TCC 297, available online at: <http://canlii.ca/t/g0qsc>), in which it determined that the appellant had not donated \$10,252 to the Jesus Healing Center as claimed. The appellant's husband indicated that he and his wife made weekly donations of \$100 or more to the Jesus Healing Center using the church's envelopes, which were allegedly placed in the church row's books and bibles. He asserted that the donated money was from their "household salary" yet he was unable to provide any bank records of the cash withdrawals. The Jesus Healing Center had its charitable status revoked in 2009 and the CRA audit leader involved in the revocation testified that the church did not have books and records to corroborate the significant charitable donation receipts issued over the years and did not have expense receipts to support certain claimed expenses. The CRA had also contacted donors on the church's list who were unable to support the alleged donations. The church's pastor also confirmed that the books did not have donation envelopes or significant weekly contributions.

The court considered Regulation 3501(1) of the *Income Tax Regulations* and the list of requirements that must be clearly stated on a donation receipt. The Appellant's receipt did not contain this required information since it not have a statement verifying that the receipt was an official donation receipt for income tax purposes, it did not include a specific date, and it did not have a specific location for where the donation receipt was issued. Because the receipt lacked the required information, the court dismissed the appeal. The court further indicated that the evidence did not support a "sizeable contribution" to the church as claimed on the appellant's tax return.

Denial of Donation to Non-Charity Not a Violation of Charter Rights

Tanya L. Carlton.

The Tax Court of Canada recently released its decision in *Hall v. The Queen* (2013 TCC 314). This case concerned an appeal by a taxpayer of the Minister of National Revenue's denial of charitable donation tax credits to a non-registered charitable organization.

In 2011, Mr. Hall donated \$24,800 to the International Association of Scientologists ("IAS"), an international organization involved in drug addiction education and treatment, disaster relief and other charitable-like activities throughout the world. Although IAS conducted charitable and charitable-like activities, it had chosen to not apply or register as a charity under the *Income Tax Act* ("ITA"). Mr. Hall argued that even though IAS was not registered as a charity, it was unfair that he was unable to claim a tax credit while supporting the charity of his choice. Mr. Hall also argued that the provisions of the ITA requiring the charity be a "qualified donee" was discriminatory and a violation of the *Canadian Charter of Rights and Freedoms* (the "Charter") subsection 15(1) provision.

Subsection 118.1(3) of the ITA allows for an individual to claim a tax credit based on the total gifts for a year, which are generally a percentage of the individual's total charitable gifts. These charitable gifts must be made to registered charities, which are defined in the ITA. The Court held that the provision of a tax credit for contributions to a non-registered charity is not a benefit provided by subsection 118.1 of the ITA. As a result, subsection 15(1) *Charter* rights which provide that "every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination," could not be infringed and no discrimination could have occurred, since the legislation did not provide any benefits to non-registered organizations. Also, IAS was not barred from applying for registration and even if it had applied and been denied registration, registration was not a right for everyone as organizations had to meet a legislative scheme in order to qualify.

In regards to Mr. Hall, the Court held that it was his choice to donate to a registered charity or non-registered charity. Since Mr. Hall chose to contribute to a non-registered charity, he could not then claim that he was being denied the benefit of the law that provided tax advantages for donations to registered charities.

The Court dismissed the appeal and concluded that the benefit sought by Mr. Hall did not fall under subsection 15(1) of the *Charter* and his charitable donation tax credits were denied.

For more information, see online at: <http://canlii.ca/t/g0wzk>

Costs Decision for *Lipson v Cassels Brock & Blackwell LLP*

Karen J. Cooper

The Ontario Superior Court of Justice has decided the costs claim for the *Lipson v. Cassels Brock & Blackwell* case, which had been certified as a class action. Between 2000 and 2003, Mr. Lipson and about 900 other Canadians donated cash and resort timeshares to Canadian amateur athletic associations in order to receive charitable donation tax credits. Mr. Lipson and the other donors asserted that they participated in this scheme because the law firm Cassels Brock & Blackwell LLP provided a legal opinion that the CRA would likely accept the donation structure. CRA reassessed the donors in question disallowing their claims for donation tax credits but, after commencement of Tax Court of Canada proceedings, settled the case on the basis that the cash portion of the donations should be allowed. As a result, Mr. Lipson started a class action against the law firm and several third parties involved in the marketing of the scheme that was certified by the Ontario Court of Appeal, which then ordered “costs of the certification motion remitted to the motion judge to be dealt with in light of this Court’s reasons.” The Court awarded Mr. Lipson costs on a partial indemnity basis. The Court also asserted that a \$300,000.00-\$350,000.00 costs award for a certification motion, as requested, was unreasonable. Mr. Lipson was awarded a total of \$298,582.71 and of this, \$150,000.00 would be payable to Mr. Lipson by the law firm in the cause and the balance would be payable immediately. The court did not order any costs against the third parties. To access this Superior Court of Justice decision, see <http://canlii.ca/t/g10gm>.

Company Fined \$750,000 for Criminal Negligence Causing DeathBarry W. Kwasniewski in *Charity Law Bulletin* No. 322, October 29, 2013.

On Christmas Eve in 2009, four workers of Metron Construction Corporation (“Metron”) died when their swing stage, which carried more weight than it was designed to hold, fell from the fourteenth floor of a construction site. Criminal charges pursuant to the *Criminal Code* of Canada (the “Code”) were brought against Metron and its sole director and president, Joel Swartz. The criminal charges were later withdrawn against Mr. Swartz, who was required to pay a \$90,000 fine under the Ontario *Occupational Health and Safety Act* (the “OHS Act”). Metron entered a guilty plea to a count of criminal negligence causing death. The sentencing hearing took place before the Ontario Court of Justice on June 15th and 28th, 2012, and the judgment was released on July 13, 2012. Metron was sentenced to pay a \$200,000 fine. The Crown appealed this sentence to the Court of Appeal asserting that the fine was “manifestly unfit”. The Court of Appeal judgment was released on September 4, 2013, resulting in an increased fine

of \$750,000. This *Charity Law Bulletin* discusses both the Ontario Court of Justice and Court of Appeal decisions. While the facts and the decision are specific to this case, the laws regarding worker safety apply to charities and not-for-profits, which are under legal obligations to protect the safety of their workers.

Read More:

[PDF] <http://www.carters.ca/pub/bulletin/charity/2013/chylb322.pdf>

[WEB] <http://www.carters.ca/pub/bulletin/charity/2013/chylb322.htm>

Guindon Files Leave to Appeal

Karen J. Cooper.

An Ottawa lawyer is seeking leave to appeal the Federal Court of Appeal's decision in *Canada v. Guindon*, 2013 FCA 153, in which the Court of Appeal overturned a previous Tax Court of Canada ruling that set aside a penalty Canada Revenue Agency assessed against the appellant for her part in a charitable donation tax scheme. On September 11, 2013, an application for leave to appeal to the Supreme Court of Canada ("SCC") was filed. If the SCC grants leave, the appeal may proceed. When the SCC makes its decision about the application, a news release will be available online at: <http://www.scc-csc.gc.ca/case-dossier/info/dock-regi-eng.aspx?cas=35519>. The case will be closely watched, as the courts have been divided on the issue of whether the third-party penalties under section 163.2 of the *Income Tax Act* are penal in nature and subject to protections of section 11 of the *Charter of Rights and Freedoms*. For information on the Appeal Court's decision, see the summary in the June 2013 *Charity Law Update*.

B.C. Court Of Appeal Upholds Ban on Assisted Suicide

Jennifer M. Leddy.

On October 10, 2013, in a split decision in *Carter v. Canada*, the B.C. Court of Appeal upheld the *Criminal Code* provisions against assisted suicide on the basis that it was bound to follow the *Sue Rodriguez* case that was decided by the Supreme Court of Canada twenty years ago. The trial judge, instead of following the *Rodriguez* case, had held that the ban on physician-assisted suicide infringed the Canadian *Charter of Rights and Freedoms* by discriminating against disabled persons who are denied access to the assistance they need to commit suicide while able bodied individuals can commit suicide without assistance. The trial judge also held that prohibiting physician assisted suicide breached the *Charter* right to life because some people would end their lives sooner than they might wish at a time when they would not need assistance.

Should the Supreme Court of Canada revisit the *Rodriguez* case, the Court of Appeal offered some brief comments, in a “by the way” fashion, on the remedy of a constitutional exemption as an alternative to striking down the *Criminal Code* prohibition of assisted suicide. The Court of Appeal suggested that a constitutional exemption could be granted to a person on whom the “otherwise sound” law, which is intended to protect those who are vulnerable, has an “extraordinary and even cruel effect.” The constitutional exemption would require court approval, two medical opinions and the request of a rational applicant free of outside influence. In the Court’s view, a court of law would be better equipped to assess individual cases from a “perspective outside the (often overstressed) health care regime.”

The issue of physician-assisted suicide evokes much debate and discussion because it involves profound questions about the meaning of life and human existence. One aspect on which almost all participants in this debate can agree is that the issue of physician-assisted suicide is headed once more to the Supreme Court of Canada.

Payday Loans Act Amendments Expected to Come Into Force

Terrance S. Carter.

As reported in our September 2013 *Charity Law Update*, the Ontario Ministry of Consumer Services released its *Proposed Regulatory Amendments to the General Regulation (O. Reg. 98/09) of the Payday Loans Act, 2008* (“Proposed Regulations”). The Proposed Regulations state that they will come into force “on the later of October 31, 2013 and the day [they are] filed” with the Registrar of Regulations, and could negatively impact charities and not-for-profits in Ontario that are involved in microlending by including such organizations as designated payday lenders under the *Payday Loans Act* (Ontario).

For further information on who might qualify as a “payday lender” under the Proposed Amendments, see “Proposed Payday Lending Amendments in Ontario May Affect Microlending” by Terrance Carter in the *September 2013 Charity Law Update*.

Available online at: <http://www.carters.ca/pub/update/charity/13/sep13.pdf>

Endowments to be Treated as Revenue under Accounting Statement of Principles

Terrance S. Carter

In our September 2013 and June 2013 *Charity Law Updates* (see links below), we reported that the Accounting Standards Board (“AcSB”) and Public Sector Accounting Board (“PSAB”) of Canada issued a Statement of Principles that proposed revisions to Part III of the Canadian Institute of Chartered

Accountants (“CICA”) Handbook and the CICA Public Sector Accounting Handbook (“Proposed Principles”). If implemented, the revisions would amend not-for-profit accounting standards in order to address transactions and circumstances unique to not-for-profit organizations. The deadline for individuals and organizations to comment on the Statement of Principles released jointly by the AcSB and PSAB has been extended to December the 15, 2013.

The importance of the not-for-profit sector providing commentary on the Proposed Principles is evident from reviewing a number of specific proposals described therein, such as the proposal with regard to the accounting treatment of endowments. Although an endowment is not a legal term and is often used to mean different things in different situations, for accounting purposes it is defined in Section 4410 of the CICA Public Sector Accounting Handbook as “a type of restricted contribution subject to externally imposed stipulations specifying that the resources contributed be maintained permanently, although the constituent assets may change from time to time.” This definition is generally consistent with the legal concept of a restricted charitable purpose trust. Up to now, an endowment has been treated for accounting purposes as a “direct increase in net assets”, which makes sense from a legal standpoint, since an endowment is a contribution of capital to the charity to be held in perpetuity. However, Principle 2 of the Proposed Principles states that “an endowment contribution would usually be recognized as revenue when it is received...”, which the Proposed Principles explains is required because an endowment does not meet its definition of a liability.

The difficulty with this approach, though, is that treating an endowment where the capital is to be held in perpetuity as “revenue” for accounting purposes, whether that be right or wrong, may give the erroneous impression to a charity that the capital of an endowment can be expended for current operating expenses, which obviously is not permitted at law and could lead to allegations breach of trust. Although such a result is obviously not intended by the Proposed Principles, it does underscore the potential for unintended consequences arising from the application of the Proposed Principles in collateral situations. As such, it is important for the not-for-profit sector to provide comments on the Proposed Principles before they are finalized in order to ensure that the Proposed Principles, once finally adopted, will not be at odds with how not-for-profits, in particular charities, are required to operate at law.

For more information on the impact of the revisions, see the June 2013 *Charity Law Update* online at: <http://www.carters.ca/pub/update/charity/13/jun13.pdf>

Further information on the Proposed Principles is available in the September 2013 *Charity Law Update* online at: <http://www.carters.ca/pub/update/charity/13/sep13.pdf>

The AcSB/PASB Statement of Principles, which includes information on how to provide comment, is available online at: <http://www.frascanada.ca/standards-for-not-for-profit-organizations/documents-for-comment/item73780.pdf>

U.N Report Identifies Impact of Anti-Terrorism Laws on Humanitarian Operations

Sean S. Carter

The United Nations Office for the Coordination of Humanitarian Affairs and the Norwegian Refugee Council jointly commissioned and released in July 2013 an independent study on behalf of the Inter-Agency Standing Committee entitled, “Study of the Impact of Donor Counter-Terrorism Measures on Principled Humanitarian Action” (Kate Mackintosh & Patrick Duplat, Inter-Agency Standing Committee, (July 2013), the “Report”). The Report examines the impact national and international counter-terrorism measures may have on humanitarian programs and efforts carried out by various organizations (including charities and non-profits). The Report surveys counter-terrorism related legislative and regulatory frameworks in a variety of leading jurisdictions (including Canada, United Kingdom and the United States of America), and the international framework of counter-terrorism related international treaties, model laws and best practises. The Report focuses specifically on these national and international legal regimes for the implications of these regimes on the ability of non-profits and charities to raise funds and carry out humanitarian operations in various jurisdictions and conflict zones. As the majority of non-profits and charities in Canada may not fully understand how their organizations could be directly impacted (and subject to) the international and domestic counter-terrorism regimes, the Report assists in exposing the reality of the impact of these various regimes on organizations carrying out or materially supporting humanitarian operations and programs.

The Report details several implications of these growing domestic and international legal frameworks on humanitarian operations, including: a decrease or “chill” on fundraising; a reduction in the efficacy and a delay in timing of the delivery of humanitarian aid; and, a self-imposed censorship on public statements (particularly as it relates to political or societal critiques) relating to the broader context of the humanitarian work. While the Report’s findings reveal the broadly adverse impact of the domestic and international counter-terrorism regimes on humanitarian work, it also provides seven proactive recommendations to mitigate the potential ongoing impact on humanitarian work. These

recommendations include, among other things, that: the individual states and the humanitarian community should engage in an open dialogue on “how to better reconcile counter-terrorism measures and humanitarian action”; that counter-terrorism legal regimes should be amended “to include exceptions for humanitarian action” undertaken to address the basic human needs of the individual (regardless of affiliation, belief, politics, etc.); and, that humanitarian organizations should develop and strengthen “policies, procedures and systems used to minimize aid diversion” to armed actors (including listed entities or designated terrorisms) while balancing these efforts “against programme criticality and humanitarian need”.

Given the increase in counter-terrorism measures and enforcement globally, particularly in the area of the financing and support of terrorism, it is increasingly important for charities and non-profits which participate directly in or simply provide support to humanitarian aid programs to understand the scrutiny of humanitarian activities by government agencies and take the necessary proactive steps to put in place internal due diligence policies to minimize risk and protect charitable property. The full report can be accessed online at: https://docs.unocha.org/sites/dms/Documents/CT_Study_Full_Report.pdf.

Charities Legislation & Commentary, 2014 Edition Now Available!

Co-Edited by Terrance S. Carter, Maria Elena Hoffstein, and Adam M. Parachin (LexisNexis Butterworths, October 2013).

The 2014 Charities Legislation & Commentary, co-edited by Terrance Carter, Elena Hoffstein and Adam Parachin, was released this past month. 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 16, 2013, including changes introduced by the 2013 federal budget.

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

Ontario statutes governing charitable organizations. The 2014 edition compiles, describes or otherwise takes account of approximately 145 statutes and 75 regulations.

Read More:

[Preview Preface] <http://www.carters.ca/pub/book/2013/CL14comment.pdf>

Order the book at:

http://store.lexisnexis.ca/store/ca/catalog/booktemplate/productdetail.jsp?&catId=cacat_22_en&prodId=prd-cad-00950

IN THE PRESS

Canadian Charities Operating Outside of Canada: What You Need To Know by Terrance S. Carter.
Canadian International Lawyer Journal, Vol.9 No.2, Canadian Bar Association, October 2013.

[Link] http://www.cba.org/cba/sections_international/main/cil.aspx

CRA Guidance on drafting purposes for charitable registration by Jennifer Leddy and Terrance Carter.

Charity Talk, Canadian Bar Association, October 2013.

[Link] http://www.cba.org/CBA/sections_charities/newsletters2013/guidance.aspx

Religious School Wins Rare Delay of Revocation by Ryan M. Prendergast.

Linex Canada Smart Alert, October 1, 2013.

http://ca.linexsystems.com/contents/transit/54677175?user_id=59373&log=f3259d3957c72899db9f62fb0d6006a8&p=634602&m=1&s=29949&org_id=8043.

RECENT EVENTS AND PRESENTATIONS

CCCC Leadership & Stewardship Conference held in Mississauga, Ontario, on September 24-26, 2013, included the following presentations:

“Copyright Issues for Churches and Charities: What You Need to Know” by Colin J. Thurston;

[Web] <http://www.carters.ca/pub/seminar/church/2013/cjt0925.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/cjt0925.pdf>

“Community Economic Development Guidance – Social Enterprise for Charities” by Terrance S. Carter; and

[Web] <http://www.carters.ca/pub/seminar/church/2013/tsc0925.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/tsc0925.pdf>

“Getting Ready for the ONCA – Tough Issues to Consider” by Theresa L.M. Man.

[Web] <http://www.carters.ca/pub/seminar/church/2013/tlm0925.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/tlm0925.pdf>

The Institute of Law Clerks of Ontario - Corporate Law for Law Clerks – Not-for-Profit Corporations included a presentation by Ryan M. Prendergast on September 25, 2013, entitled “The In’s and Out’s of the *Canada Not-for-profit Corporations Act* (“CNCA”) and the *Not-for-profit Corporations Act, 2010* (“ONCA”).

[Web] <http://www.carters.ca/pub/seminar/charity/2013/rmp0925.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2013/rmp0925.pdf>

Ontario Association of Community Futures Development Corporations Annual Conference, held in Sarnia, Ontario, included a presentation by Theresa L.M. Man entitled “Getting Ready for the ONCA – A Step by Step Guide” on September 26, 2013.

[Web] <http://www.carters.ca/pub/seminar/charity/2013/tlm0926.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2013/tlm0926.pdf>

World Vision Law Day, held on September 26, 2013, included a presentation by Terrance S. Carter entitled “Essential Update on Church Law in Canada.”

[Web] <http://www.carters.ca/pub/seminar/church/2013/tsc0926.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/tsc0926.pdf>

Christian Legal Fellowship National Convention, held on September 27, 2013, included a presentation by Terrance S. Carter entitled “Update on Church Law in Canada.”

[Web] <http://www.carters.ca/pub/seminar/church/2013/tsc0927.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/tsc0927.pdf>

The Association of Treasurers of Religious Institutes (ATRI) 2013 Conference included the following presentations by Karen J. Cooper on Sept 28, 2013:

“Essential Charity Law Update” and “Here’s Your Chance to Ask Questions of a Lawyer.”

[Web] <http://www.carters.ca/pub/seminar/church/2013/kjc0928.htm>

[PDF] <http://www.carters.ca/pub/seminar/church/2013/kjc0928.pdf>

Half-Day Workshop on Transitioning to the Ontario *Not-for-Profit Corporations Act* held in Toronto on Wednesday, October 2nd, 2013.

[Web] <http://www.carters.ca/pub/seminar/charity/2013/onca/onca1002.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2013/onca/onca1002.pdf>

Half-Day Workshop on Transitioning to the Ontario *Not-for-Profit Corporations Act* held in Ottawa on Friday, October 4th, 2013.

[Web] <http://www.carters.ca/pub/seminar/charity/2013/onca/onca1004.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2013/onca/onca1004.pdf>

2013 Ontario Land Trust Alliance (OLTA) Gathering, held near Orillia, Ontario, included a presentation by Karen J. Cooper on October 10, 2013, entitled “Essential Tax and Charity Law Update.”

[Web] <http://www.carters.ca/pub/seminar/charity/2013/kjc1010.htm>

[PDF] <http://www.carters.ca/pub/seminar/charity/2013/kjc1010.pdf>

OACAO (Older Adult Centre's Association of Ontario) Conference 2013 included a presentation by Theresa L.M. Man on October 21, 2013, entitled "The New Ontario *Not-for-Profit Corporations Act* (ONCA) and Why You Need to Get Ready Now!"

2013 Essentials of Audit Committee Membership Workshop hosted by Chartered Professional Accountants of Canada in Ottawa, Ontario, included a presentation by Karen J. Cooper on October 24, 2013, entitled "Why Serve? Benefits versus Risks of Serving."

2013 Public Sector and Not-for-Profit Financial Reporting Conference hosted by Chartered Professional Accountants of Canada in Ottawa, Ontario, included Terrance S. Carter in a panel discussion October 24, 2013, on "Endowments: Understanding the Definition and the Accounting Issues."

UPCOMING EVENTS AND PRESENTATIONS

'Listed entities', The Anti-Terrorism Act and Implications for Canadian NGOs, a full day discussion and learning forum being held in Ottawa, Ontario, on November 6, 2013, will include Sean S. Carter in a panel on the Act and legal implications.

Ukrainian Canadian Congress being held on November 9, 2013, will include a presentation by Theresa L.M. Man on the ONCA.

Details available at <http://www.ucctoronto.ca>.

16th Annual Estates and Trusts Summit hosted by the Law Society of Upper Canada (LSUC) will include a presentation by Terrance S. Carter on November 12, 2013, entitled "Update on Relevant Charity and Not-for-Profit Law."

<http://ecom.lsuc.on.ca/cpd/product.jsp?id=CLE13-0110401>

The 20th Annual Church & Charity Law™ Seminar will be held at Portico Community Church in Mississauga, Ontario, on Thursday, November 14, 2013.

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

AFP Congress being held on November 18, 2013, will include a presentation by Terrance S. Carter with M. Elena Hoffstein entitled "Drafting Issues for Designated Gifts."

Details available at <http://afptorontoevents.info/congress/>

Imagine Canada's FREE Charity Tax Tools Webinar being held on November 26, 2013, will be a presentation by Terrance S. Carter entitled "The 2013 Essential Charity Law Update – The Year in Review."

Register at <https://imaginecanada.webex.com/imaginecanada/onstage/g.php?t=a&d=668631490>

Institute of Corporate Directors (ICD) Conference being held on November 28, 2013, will include a presentation by Terrance S. Carter entitled “Tough Issues of CNCA and ONCA.”

Details at <http://www.icd.ca/Events/Upcoming-Events/Ontario-Chapter/2013/Navigating-Changes-For-Not-For-Profit-Organization.aspx>.

Imagine Canada’s FREE Charity Tax Tools Webinar being held on December 3, 2013, will be a presentation by Karen J. Cooper entitled “The Basics of Charitable Donations including the First-Time Donor’s Super Credit.”

Details at <http://charitytax.imaginecanada.ca/demand-webinars>

Imagine Canada’s FREE Charity Tax Tools Webinar being held on December 10, 2013, will be a presentation by Theresa L.M. Man entitled “Getting Ready for ONCA: A Step-by-Step Guide.”

Details at <http://charitytax.imaginecanada.ca/demand-webinars>

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Tanya L. Carlton – Called to the Ontario Bar in 2013, Ms. Carlton joined Carters to practice charity and not-for-profit law. A graduate from the University of Ottawa, Faculty of Law in 2012, Tanya also earned a B.Sc. (Hons.) in Biochemistry from Bishops University and a B.Ed. from the University of Western Ontario prior to attending law school. Ms. Carlton taught high school math and chemistry for several years, and also served as an elected Municipal Councillor. Ms. Carlton gained legal experience articling with Carters, as well as during the summers as a research assistant for several Ottawa-based teaching lawyers while at law school.



Sean S. Carter – Called to the Ontario Bar in 2009, Sean practices general civil, commercial and charity related litigation. Formerly an associate at Fasken Martineau DuMoulin LLP, Sean has experience in matters relating to human rights and charter applications, international arbitrations, quasi-criminal and regulatory matters, proceedings against public authorities and the enforcement of foreign judgments. Sean also gained valuable experience as a research assistant at Carters, including for publications in *The International Journal of Not-for-Profit Law*, *The Lawyers Weekly*, *Charity Law Bulletin* and the *Anti-Terrorism and Charity Law Alert*.



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), 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 a co-author of *Corporate and Practice Manual for Charitable and Not-for-Profit Corporations* to be published by Carswell in 2013, a co-editor editor of *Charities Legislation and Commentary* (LexisNexis, 2013), and editor of www.charitylaw.ca, www.churchlaw.ca and www.anti-terrorismlaw.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).



Jacqueline M. Demczur – A partner with the firm, Ms. Demczur practices in charity and not-for-profit law, including incorporation, corporate restructuring, and legal risk management reviews, as well as wills, estate planning and estate administration. Mrs. Demczur has been recognized as a leading expert in charity and not-for-profit law by *Lexpert*. She is a contributing author to Industry Canada’s *Primer for Directors of Not-For-Profit Corporations*, and has written numerous articles on charity and not-for-profit issues for the *Lawyers Weekly*, *The Philanthropist* and *Charity Law Bulletin*, among others.



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 (CCCCB). 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, 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 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.



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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