

DRAFT QUALIFYING DISBURSEMENT GUIDANCE POSES PRACTICAL CHALLENGES FOR CHARITIES

*By Terrance S. Carter, Theresa L.M. Man, & Lynne M. Westerhof**

A. INTRODUCTION

The federal budget, released on April 7, 2022 (“Budget 2022”), proposed to allow a charity to provide its resources to organizations that are not qualified donees with the intention that these changes would “implement the spirit of Bill S-216.”¹ Bill S-216 was a bill that garnered significant support from the charitable sector and was based on the premises that charities must be able to operate efficiently when devoting their resources to charitable activities, must be held to reasonable standards in the proper use of their resources, and should promote local capacity-building and collaborative decision-making in the communities with whom they work.² However, early drafts of Bill C-19, the *Budget Implementation Act, 2022, No. 1*, contained prescriptive regulations that would have imposed onerous documentation and other requirements for charities.³ In response, the charitable sector successfully advocated to have these restrictions removed from the final version of the bill.⁴

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¹ “Budget 2022” (7 April 2022), online: *Government of Canada*: <<https://budget.gc.ca/2022/report-rapport/toc-tdm-en.html>> at 8.3.

² S-216, *Effective and Accountable Charities Act*, 1st Sess, 44th Parl, 2021, preamble (third reading 9 December 2021).

³ C-19, *Budget Implementation Act, 2022, No. 1*, 1st Sess, 44th Parl, (referencing the version before the House of Commons upon its first reading on 28 April 2022), see pages 41-42 and the text of Regulation 3703 as it then was. See also Terrance S. Carter & Theresa L.M. Man, “Bill C-19 *Budget Implementation Act, 2022, No. 1* Proposes Major Changes to Legislative Framework Governing Charities” *Charity & NFP Law Bulletin No. 511* (25 May 2022), online: *Carters Professional Corporation* <<https://www.carters.ca/pub/bulletin/charity/2022/chylb511.pdf>>.

⁴ Tim Harper, “For Canadian charities, victory on Budget Implementation Act is tempered by uncertainty” (8 June 2022) online: *The Philanthropist* <<https://thephilanthropist.ca/2022/06/for-canadian-charities-victory-on-budget-implementation-act-is-tempered-by-uncertainty/>>.

Now, with the introduction of the guidance CG-032 “Registered charities making grants to non-qualified donees (draft)” (“Draft Guidance”) on November 30, 2022,⁵ (for which feedback is being sought by January 31, 2023) there are again concerns that the Canada Revenue Agency’s (“CRA”) application of the qualifying disbursement legislation will result in onerous requirements for the charitable sector. It is doubtful whether the combined effect of the new regime in the *Income Tax Act* (“ITA”) and the enforcement framework in the Draft Guidance will give the charitable sector a regime that is truly in “the spirit of Bill S-216.”

This Bulletin explains some of the practical challenges for charities posed by the Draft Guidance and identifies aspects of the Draft Guidance that do not appear to be in step with the spirit of Bill S-216 or even the qualifying disbursement provisions in the ITA.

An overview of the Draft Guidance and some of the key technical as well as legislative concerns regarding its contents are set out in our earlier bulletin, *Charity & NFP Law Bulletin No. 518*.⁶

B. DRAFT GUIDANCE IMPOSES EXTENSIVE ADDITIONAL REQUIREMENTS ON CHARITIES

The Draft Guidance imposes extensive additional requirements on charities that are onerous and not consistent with the legislative parameters passed by Parliament. In particular, the Draft Guidance focusses on complying with accountability tools the CRA recommends charities use “to minimize risk and meet the requirements.”⁷ The practical problem that charities face with this approach is that the Draft Guidance never specifies or explains what the “risk” is that they need to minimize. In addition, the accountability requirements in the Draft Guidance are not connected to the legislative requirements for qualifying disbursements, including the requirement for “sufficient documentation” in subparagraph (b)(iii) of the definition of “qualifying disbursement” at subsection 149.1(1) of the ITA, which provides as follows:

qualifying disbursement means a disbursement by a charity, by way of a gift or by otherwise making resources available,

(a) subject to subsection (6.001), to a qualified donee, or

⁵ CG-032 “Registered charities making grants to non-qualified donees (draft)” (30 November 2022), online: *Government of Canada* <<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/charities-making-grants-non-qualified-donees.html>>.

⁶ Terrance S. Carter, Theresa L.M. Man & Lynne M. Westerhof, “CRA Releases Draft Guidance on Charities Making Grants as Qualifying Disbursements” *Charity & NFP Law Bulletin No. 518* (7 December 2022), online: *Carters Professional Corporation* <<https://www.carters.ca/pub/bulletin/charity/2022/chylb518.pdf>>.

⁷ CG-032, *supra* note 5 at para 18.

(b) to a grantee organization, if

(i) the disbursement is in furtherance of a charitable purpose (determined without reference to the definition charitable purposes in this subsection) of the charity,

(ii) the charity ensures that the disbursement is exclusively applied to charitable activities in furtherance of a charitable purpose of the charity, and

(iii) the charity maintains documentation sufficient to demonstrate

(A) the purpose for which the disbursement is made, and

(B) that the disbursement is exclusively applied by the grantee organization to charitable activities in furtherance of a charitable purpose of the charity;

As explained below, in order to comply with the Draft Guidance's risk matrix and accountability tools, charities must exert considerable effort, beyond merely maintaining documentation sufficient to demonstrate their compliance with the ITA.

1. Risk Matrix

The Draft Guidance is very clear that charities "should assess the level of risk at the outset of the grant,"⁸ and whether the risk level is high, medium or low risk.⁹ In fact, "risk" is mentioned 62 times in the Draft Guidance despite not being mentioned, or even suggested, in section 149.1 of the ITA (where the qualifying disbursement rules are set out). Even though the Draft Guidance places an emphasis on risk, the key question remains unanswered: What risks are charities supposed to consider prior to making qualifying disbursements? Without an answer to this question, charities will have a difficult time assessing and documenting risk according to the process set out in the Draft Guidance.

A more fundamental question to ask is: Will it always be necessary for charities to assess and document risk when making grants? A closer look at the risk matrix in the Draft Guidance reveals that portions of it resemble the United States' Department of the Treasury's risk matrix¹⁰ that is intended to assist the American tax-exempt sector assess the risk of terrorist financing with their international activities. The table below illustrates the striking similarities between the two risk matrix frameworks:

⁸ *Ibid* at para 25.

⁹ *Ibid* at para 21.

¹⁰ "Risk Matrix for the Charitable Sector" (March 2007), online: *United States Department of the Treasury* <https://home.treasury.gov/system/files/126/charity_risk_matrix.pdf>.

Risk Factors	US Treasury / CRA	High Risk	Medium Risk	Low Risk
Grant Activity Location	U.S. Treasury Risk Matrix	The charity primarily engages in work in conflict zones or in countries/regions known to have a concentration of terrorist activity.	The charity engages in some work in foreign countries/regions where terrorist organizations may be active.	The charity engages exclusively in charitable work in the U.S. or in foreign countries/regions where terrorist organizations are not known to be active.
	CRA Risk Matrix	outside Canada, in a country or region with significant instability, including violent conflict or other social instability, or where there are security concerns [...]	outside Canada, in a country or region with some instability, including social instability, or where there are some security concerns [...]	inside Canada, in a country or region with stability, including security and social stability [...]
Grantee's Experience	U.S. Treasury Risk Matrix	The grantee has little or no history of legitimate charitable activities.	The grantee is newly or recently formed, but its leadership has a history of legitimate charitable activities.	The grantee has a history of legitimate charitable activities.
	CRA Risk Matrix	newly established grantee or charitable program	some related experience either with charities or charitable program	extensive and effective experience with charities and charitable program

The risk matrix and corresponding accountability tools also resemble ideas found in commentary from the Financial Action Task Force (“FATF”) concerning its Recommendation 8,¹¹ recommending that countries mitigate terrorist financing risks of non-profit organizations by requiring that they carry out proper due diligence on the individuals and organizations they give money to;¹² establish “strong financial controls and procedures” (such as keeping complete financial records of income, expenses and financial transactions throughout their operations);¹³ and “establish internal controls and monitoring systems to ensure that funds and services are being used as identified.”¹⁴ The FATF, however, introduces these risk mitigating strategies on the explicit assumption that risk will be present when the non-profit sector is both threatened by and vulnerable to terrorist financing.¹⁵

While a risk matrix may be appropriate to help charities that could be vulnerable to abuse by terrorist organizations, there is no explanation concerning why a U.S. risk matrix framework would be applicable

¹¹ For further details on the FATF’s Recommendation 8, see Terrance S Carter, Nancy E Claridge & Sean S Carter, , “Significant Changes to FATF Recommendation 8 and Interpretive Notes” *Anti-Terrorism and Charity Law Alert* No. 46 (29 September 2016), online: <<https://www.carters.ca/pub/bulletin/charity/2016/atchylb46.pdf>>.

¹² “Combating the Abuse of Non-Profit Organizations (Recommendation 8)”, (June 2015) online: *Financial Action Task Force* <<https://www.fatf-gafi.org/content/dam/fatf/documents/reports/BPP-combating-abuse-non-profit-organisations.pdf.coredownload.pdf>> at p. 22.

¹³ *Ibid* at p. 26.

¹⁴ *Ibid* at p. 27.

¹⁵ *Ibid* at 10-11.

in Canada, and why such a comprehensive risk matrix is necessary for charities carrying out general charitable activities, especially when it has not been specified what risk it is that they are supposed to be mitigating.

2. Accountability Requirements and Tools

Similar to the use of the word “risk,” “accountability” is mentioned 46 times in the Draft Guidance but not at all in section 149.1 of the ITA. Section 4 of the Draft Guidance alludes to the accountability requirements as being those set out in paragraph (b) of the definition of “qualifying disbursement” in the ITA (see quotation of the definition above).¹⁶ While it is not unreasonable that the Draft Guidance seeks to explain what the CRA will consider to be sufficient documentation, the focus on “accountability” rather than “sufficient documentation”, will result in a system that requires charities to justify their actions and decisions to the CRA based upon a concept of “accountability” that is not in the ITA, rather than simply keeping “documentation sufficient to demonstrate” compliance with the definition of qualifying disbursements as required by the ITA.

Again, it appears that the accountability requirements in the Draft Guidance borrow heavily from the American charitable framework for private foundations in the United States, as these foundations must demonstrate “expenditure responsibility” when making grants. Expenditure responsibility anticipates that private foundations must exert all reasonable efforts to see that a grant is only spent for the purpose for which it was made, that a full and complete report regarding how funds were spent is received from the grantee organization, and that a full and detailed report on expenditures is sent to the Internal Revenue Service.¹⁷

The Draft Guidance recommends that charities use various accountability tools, several of which closely resemble the detailed prescribed conditions in the proposed *Income Tax Regulations* 3703 that were eliminated from Bill C-19 prior to the bill receiving Royal Assent after significant lobbying from the charitable sector.¹⁸ It is problematic that a legal regulatory framework that was specifically rejected by Parliament could be adopted as an administrative policy of the CRA in the Draft Guidance. The table

¹⁶ CG-032, *supra* note 5 at paras 16-17.

¹⁷ “Grants by Private Foundations: Expenditure Responsibility” (page last reviewed or updated 17 February 2022), online: *Internal Revenue Service* <<https://www.irs.gov/charities-non-profits/private-foundations/grants-by-private-foundations-expenditure-responsibility>>.

¹⁸ Tim Harper, *supra* note 4.

below illustrates the many similarities between the text of proposed *Income Tax Regulations* 3703 and that found in the Draft Guidance:

	Summary of the aborted Regulation 3703 in Bill C-19 as it was at first reading in the House of Commons	Summary of Similar Provisions in Draft Guidance
Due diligence review of grantees	Charity must obtain reasonable assurances that the mandatory written agreement will be complied with, including reviewing the identity, prior history, practices, activities and areas of expertise of the grantee organization and its directors, officers and like officials. ¹⁹	CRA recommends that the charity perform due diligence on every grantee before giving them a grant, even when it has a successful working relationship with a grantee (though the review does not need to be as extensive in that situation). Due diligence includes a review of the grantee's purposes and mission; history; programs, experience and capacity; and reputation as well as of its staff, volunteers and associated individuals or entities. ²⁰
Description of grant activities	The written agreement governing the disbursement must include a description of the charitable activities that the grantee organization will undertake. ²¹	The CRA recommends using a description of grant activity with varying levels of detail depending on the level of risk. ²² For granting of real property (e.g. land) the charity must determine and document the public benefit and resolve any concerns about unacceptable private benefit before it may proceed. ²³
Written Agreements	There must be a written agreement between the charity and the grantee organization that includes: <ul style="list-style-type: none"> the terms and conditions of the disbursement; a description of the charitable activities that the grantee organization will undertake; a requirement that any resources not used exclusively for the purposes for which they were disbursed be returned to the charity; a requirement that periodic and final written reports be made by the grantee organization to the charity; a requirement that the books and records relating to the use of the disbursement be transferred to the charity or be kept by the grantee organization; and 	A charity is required to maintain grant documentation, including documenting the purpose for which the grant is made. The CRA recommends that a charity enter into a written agreement for every grant. The written agreement could include: <ul style="list-style-type: none"> A description of the grant activity and the charitable purpose it furthers A provision for returning unused resources when required (e.g. the grantee's failure to apply grant to charity's charitable purpose) Timelines and frequency of written reports, including financial and written reports A requirement for the grantee's books and records to be sufficiently detailed to allow it to track the use of grant funds and provide an accounting to the charity of its reporting Provisions for transferring resources in periodic instalments based on demonstrated completion, as well as for withholding resources, terminating the grant and returning unused resources when required, as appropriate

¹⁹ C-19, *supra* note 3 at paragraph (b) of proposed Regulation 3703.

²⁰ CG-032, *supra* note 5 at paras 31, 33.

²¹ C-19, *supra* note 3 at subparagraph (a)(ii) of proposed Regulation 3703.

²² CG-032, *supra* note 5 at para 27.

²³ *Ibid* at the chart after para 88.

	Summary of the aborted Regulation 3703 in Bill C-19 as it was at first reading in the House of Commons	Summary of Similar Provisions in Draft Guidance
	<ul style="list-style-type: none"> a requirement that, upon request by the charity, books and records relating to the use of the disbursement be made available in a timely manner for the charity's inspection.²⁴ <p>If the charity becomes aware that any part of the written agreement is not being complied with, the charity must undertake adequate remedial action including withholding further disbursements and attempting to recover disbursements, where appropriate.²⁵</p>	<ul style="list-style-type: none"> Information such as the names and geographic locations of parties and activities, effective dates, a provision that the charity intends to make a grant as opposed to carrying on its own activities, a provision that resources will only be used for charitable purposes, and a confirmation of the right to inspect the grant activity with reasonable notice.²⁶
Monitoring and Reporting	<p>The charity shall receive periodic reports from the grantee organization and verify that the disbursement is being applied for the purposes for which it was disbursed.</p> <p>The charity shall also receive, review and approve the final report of the grantee organization.²⁷</p>	<p>The CRA recommends requiring interim reports for longer term and higher risk grants. Financial and progress reports should show the receipt and disbursement of resources and the progress of the grant activity.</p> <p>The CRA recommends that every grant require a final written report from the grantee, along with supporting documentation, if appropriate. The charity should document in its books and records that it has reviewed the final report and is satisfied that no further action is required.</p> <p>If a charity does not require a final written report, it should document its reasons in its books and records.²⁸</p>

While the Draft Guidance does offer some additional flexibility to charities to use other accountability tools if necessary (something the earlier version of Bill C-19 did not allow), if a charity chooses to use different accountability tools other than those that the Draft Guidance recommends, it will be incumbent upon the charity to keep additional books and records to justify why it did not use the tools recommended by the CRA.²⁹ Below are a few examples:

²⁴ C-19, *supra* note 3 at paragraph (a) of proposed Regulation 3703.

²⁵ *Ibid* at paragraph (e) of proposed Regulation 3703.

²⁶ CG-032, *supra* note 5 at paras 42, 95.

²⁷ C-19, *supra* note 3 at paragraphs (c) and (d) of proposed Regulation 3703.

²⁸ CG-032, *supra* note 5 at paras 50, 51, and 95.

²⁹ *Ibid* at the note after para 17.

- When it is not feasible to conduct extensive due diligence, charities “may wish to” consult experts about risk in these circumstances and “[t]he charity should document the measures taken in its books and records”³⁰
- If requiring a final written report with supporting documentation is not appropriate in the circumstances, again, charities “may wish to” consult experts or obtain legal advice to determine what alternative documents would be suitable and “[t]he charity should document its reasons in its books and records”³¹
- If a charity does not implement a transfer schedule in situations where charitable activities will occur over longer term or in a higher risk environment, “a charity should document in its books and records why it chose not to implement a transfer schedule”³²
- If a grantee is unable to track the use of grant funds and/or track each grant separately if feasible, “a charity should document in its books and records how it will mitigate any related risks”³³
- If a written agreement to be put in place with all grantees and grantors is not feasible when making a pooled grant, “a charity should document the reasons in its books and records”³⁴

Therefore, whether a charity uses the accountability tools in the Draft Guidance or adopts a different approach, there are clearly extensive expectations being imposed on charities that involve significant documentation requirements in order to be able to demonstrate accountability to the level that the CRA is requiring in the Draft Guidance – such as why the charity did not adopt the tools in the Draft Guidance, and why the alternative tools adopted by the charity are better than those in the Draft Guidance. If the CRA decided to conduct a charity audit, all of this documentation would need to be presented as part of a charity’s obligation to maintain books and records as set out in subsection 230(2) of the ITA which specifies that a charity must maintain books and records “...in such form as will enable the Minister to

³⁰ *Ibid* at para 34.

³¹ *Ibid* at para 51.

³² *Ibid* at para 52.

³³ *Ibid* at paras 55-56.

³⁴ *Ibid* at table after para 82.

determine whether there are *any grounds for the revocation of a [charities'] registration under this Act*".
[emphasis added]

Clearly, there is a misplaced focus in the Draft Guidance which goes beyond the ITA's stated requirements for "documentation sufficient to demonstrate" compliance with making a qualifying disbursement, and instead requires charities to take and produce extensive and onerous documentation related to the accountability tools or to justify their decisions to make grants in circumstances where the CRA's accountability tools are not feasible. Such extensive requirements and documentation are not in keeping with Bill S-216's premise that charities be held to reasonable standards in the proper use of their resources and be able to operate efficiently when devoting their resources to charitable activities. Unfortunately, the Draft Guidance, in many circumstances, imposes more onerous requirements for qualifying disbursements than is the case with the "own activities" and direction and control regime that is set out in the CRA guidance's CG-002 and CG-004.³⁵

3. Pooled Grants

Another premise of Bill S-216 was the desirability of promoting collaborative decision-making. One way that collaborative decision-making may be fostered is when a charity pools its resources with multiple organizations, both qualified donees and non-qualified donees, when it makes a pooled grant. The Draft Guidance anticipates that charities may wish to make pooled grants and recognizes that these initiatives are different than one-on-one granting arrangements. Nevertheless, a charity wishing to make a pooled grant will need to prepare or obtain all of the following documentation when implementing the Draft Guidance's recommended accountability tools:

1. A due diligence review assessing both grantees and grantors;
2. A description of the charity's involvement in the pooled funding, including resources granted;

³⁵ CG-002 "Canadian registered charities carrying on activities outside Canada" (27 November 2020), online: *Government of Canada* <<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/guidance-002-canadian-registered-charities-carrying-activities-outside-canada.html>>; CG-004 "Using an intermediary to carry on a charity's activities within Canada" (27 November 2020), online: *Government of Canada* <<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/using-intermediary-carry-a-charitys-activities-within-canada.html>>**Error! Hyperlink reference not valid.**

3. A written agreement with all grantees and grantors (although if this is not feasible, the charity “should” document the reasons in its books and records);
4. Written interim or final reports must be provided to the charity, clearly showing that the resources provided were used in the intended way in furtherance of its charitable purposes;
5. A transfer schedule for grant activities occurring for more than one year; and
6. Documentation tracking the charity’s contribution to the pooled grant, or records of the grant such as bank records, email communications or other forms of confirmation.³⁶

This is a substantial amount of documentation, but if these accountability tools cannot be satisfied “the CRA recommends approaching pooled grants cautiously.”³⁷ Therefore, charities appear to have the option of either creating and obtaining substantial records in order to make pooled grants or to face uncertainty and the risk of being offside of the CRA’s requirements in the event of an audit. The practical result is that it is questionable whether many charities will enter into pooled funding agreements, as it may be administratively challenging and therefore inefficient to do so.

4. Charitable Goods

The Draft Guidance explains that the transfer of charitable goods (*i.e.*, resources that can only be used for charitable purposes, such as medical supplies in the form of “antibiotics and instruments”) will be subject to specific “accountability tools” as described in paragraph 86 of the Draft Guidance, including a written agreement that charitable goods only be used “for the specified charitable activities” and a final written report from the grantee “accounting for how the charitable goods were used.” Generally, it would be expected that charitable goods would be subject to less stringent reporting requirements than any other form of gift, since, by definition, “the resources being transferred could only reasonably be used for charitable purposes.”³⁸ However, notwithstanding that the description of “transferring charitable goods” under the otherwise more demanding “own activities” and direction and control regime, as described in

³⁶ CG-032, *supra* note 5 at para 82.

³⁷ *Ibid* at para 85.

³⁸ *Ibid* at para 86.

CG-002, does not set out a requirement for either a written agreement or a final written report, CG-032 sets out significant reporting obligations.

In this regard, it makes no sense that the gifting of charitable goods under the new and presumably less demanding regime of gifting qualifying disbursements to non-qualified donees should turn out to be more onerous than the requirements for the more challenging and restrictive regime of “own activities” and direction and control.

5. Charitable Purposes of Charities that Make Gifts to Qualified Donees

Last but not least, as had been briefly mentioned in *Charity & NFP Law Bulletin No. 518*, the Draft Guidance does not address how a charity that has a single charitable purpose of making gifts to qualified donees may make qualifying disbursements to non-qualified donees.

In this regard, many passive funding charities, especially charitable foundations, have purposes that closely resemble the sample purpose set out below:

To receive and maintain a fund or funds and to apply all or part of the principal and income therefrom, from time to time, to qualified donees as defined in subsection 149.1(1) of the *Income Tax Act* (Canada).³⁹

Since qualifying disbursements need to be made to non-qualified donees “in furtherance of a charitable purpose of the charity,” it means that passive funding charities will not be able to make qualifying disbursements to grantee organizations because to do so would not further their charitable purpose.

If the CRA intends to implement an administrative mechanism to allow passive funding charities to make qualifying disbursements, it would be important that the Draft Guidance clearly explain what would be required, including what type of charitable purposes would be required, what would be required for applicants for charitable status to submit to the CRA with the applications, as well as whether charities that currently have the passive funding purpose would need to update their charitable purpose and what would be required for them to obtain approval from the CRA in that regard.

³⁹ “Other purposes beneficial to the community” (date modified 20 April 2018) online: *Government of Canada* <<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/registering-charitable-qualified-donor-status/applying-charitable-registration/charitable-purposes/other-purposes-beneficial-to-community.html>>.

C. CONCLUSION

As is evident from the above comments, the Draft Guidance does not reflect the “spirit of Bill S-216” that Budget 2022 said that the proposed amendments to the ITA would accomplish in providing an alternative to the restricted “own activities” and direction and control regime. Instead, the Draft Guidance proposes that the new qualifying disbursement regime for gifts to grantee organisations (*i.e.*, non-qualified donees) would impose accountability requirements and risk matrixes based upon U.S. examples that are not reflective in the ITA and were, in some circumstances, specifically rejected by Parliament when proposed ITA regulations were deleted from the final version of Bill C-19 as passed on June 23, 2022.

What the Draft Guidance fails to recognize is that the new qualifying disbursement regime is statutorily premised upon a charity making “a *gift* or otherwise making resources available” to non-qualified donees in order to further a charitable purpose of the charity. A gift at common law is the voluntary transfer of property without consideration. The extra statutory accountability tools and risk matrix requirements set out in the Draft Guidance are not consistent with the clear language of the ITA that a qualifying disbursement involves the making of a gift, not a contract. If the Draft Guidance was to continue to reflect these unnecessarily onerous and overreaching requirements, it is seriously in doubt whether any charity would want to assume the extra responsibility and risk associated with complying with the qualifying disbursement regime as proposed by the Draft Guidance.

Hopefully, the CRA will take the opportunity to reconsider the approach reflected in the Draft Guidance and provide the charitable sector with a significantly revised guidance that reflects the “spirit of Bill S-216” by making it easier, not more onerous, for charities to further their charitable purpose when working with non-qualified donees.



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