
FEDERAL BUDGET 2025: IMPACT ON CHARITIES AND NOT-FOR-PROFITS

*By Terrance S. Carter, Nancy E. Claridge, Adriel N. Clayton,
Theresa L.M. Man, Esther S.J. Oh, Jefe Olagunju, Esther Shainblum, Urshita Grover and
Cameron A. Axford **

1. INTRODUCTION

On November 4, 2025, the Honorable François-Phillippe Champagne, Minister of Finance and National Revenue, tabled the federal budget (“Budget 2025”) under the Mark Carney Liberal Government.¹ This *Charity & NFP Law Bulletin* provides a brief summary and commentary on key Budget 2025 measures affecting the charitable and not-for-profit (“NFP”) sector.

Budget 2025 includes several legislative proposals relevant to charities and NFPs, many of which were signaled in government releases throughout August 2024, December 2024, January 2025, and August 2025, though without including any specifics of those proposals.

In addition, Budget 2025 includes provisions aimed at combatting terrorism financing and money laundering, some of which are new proposals and some of which had been included in earlier government legislative proposals.

Finally, Budget 2025 commits substantial new funding to the charitable and not-for-profit (NFP) sectors through program funding and grants. These initiatives support the government’s pledge to “supercharge” home building across Canada, as well as achieve other government initiatives, including providing essential funding for Indigenous Peoples programs and community initiatives.

* Terrance S. Carter, B.A., LL.B., TEP, Trade-Mark Agent, is the managing partner of Carters, and counsel to Fasken on charitable matters. Nancy E. Claridge, B.A., M.A., LL.B., is a partner at Carters practicing in business and counter terrorism law. Adriel N. Clayton, B.A.(Hons.), J.D., is a partner at Carters and the lead of research and knowledge management. Theresa L.M. Man, B.Sc., M.Mus., LL.B., LL.M. is a partner at Carters practicing in the area of charity and not-for-profit law. Esther S.J. Oh, B.A., LL.B., is a partner at Carters practicing in the area of charity and not-for-profit law. Jefe Olagunju, LL.B., MBA HRM is an associate at Carters practicing in the area of charity and not-for-profit law. Esther Shainblum, B.A., LL.B., LL.M., CRM, is a partner at Carters practicing in the area of charity and not-for-profit law, privacy law, and health law. Urshita Grover, H.B.Sc., J.D. is an associate at Carters practicing in the area of charity and not-for-profit law. Cameron A. Axford, B.A.(Hons.), J.D. is an associate at Carters in research and knowledge management. The authors would like to thank Martin U. Wissmath, B.A., J.D., associate, and Salina Nathoo, B.A., J.D., student-at-law, for their assistance in preparing this *Bulletin*.

¹ Canada, Department of Finance, *Budget 2025* (Ottawa: Department of Finance, 4 November 2025), online: Government of Canada, online: <https://budget.canada.ca/2025/report-rapport/toc-tdm-en.html> [“Budget 2025”].

2. UPDATED REPORTING REQUIREMENTS FOR NON-PROFIT ORGANIZATIONS

Budget 2025 confirms the federal government's intention to proceed with previously announced changes to the reporting requirements for non-profit organizations ("NPO"). These measures were initially proposed in the 2024 Fall Economic Statement and subsequently introduced through draft legislation on August 12, 2025.

Subsection 149(12) of the *Income Tax Act* (Canada) ("ITA") requires NPOs to file an annual T1044 return if:

1. the total of all taxable dividends, interest, rentals or royalties received in the fiscal period exceeds \$10,000;
2. the NPO's total assets at the end of the preceding fiscal period exceeded \$200,000; or
3. an information return was required to be filed for a preceding fiscal period.

The 2024 Fall Economic Statement proposed to amend the ITA to change NPO annual reporting requirements for NPOs. The August 2025 draft legislation proposed to amend section 149 of the ITA as follows:

1. To add a new subparagraph (d) to section 149(12) that would expand the requirement to file an annual information return to include NPOs with total gross revenues over \$50,000; and
2. To add a new subsection 149(13) that would require small NPOs with gross revenue under the \$50,000 threshold to file a new annual short-form information return with basic information about the NPO, including:
 - a. a description of the NPO's activities, including whether it conducts activities outside Canada;
 - b. the total assets, total liabilities and total amounts received by the NPO for the period;
 - c. its business number or trust number;
 - d. its name and its mailing address and
 - e. the name and address of each director, officer, trustee or similar officials of the NPO.

These amendments were to have applied to fiscal periods beginning on or after January 1, 2026.

Budget 2025 confirms that the federal government intends to proceed with these measures. However, Budget 2025 indicates that the in force date will be deferred to January 1, 2027 or later, because the federal government is in the process of reviewing stakeholder feedback it has received regarding these amendments. Budget 2025 also indicates that the federal government intends to release final proposals that will minimize any additional administrative burden that would be caused by the changes as well as clarifying which organizations will or will not be subject to the new requirements.

3. TRUST REPORTING UNDER THE ITA AND REGULATIONS

Budget 2025 confirms the federal government's intention to proceed with technical tax amendments to the ITA and the *Income Tax Regulations* that were previously released on August 15, 2025 concerning trust reporting under the ITA.

In order to understand the current state of the law, some background is required. As outlined in detail in our *Charity & NFP Law Bulletin No. 528*,² trust reporting requirements were significantly expanded through Bill C-32, the *Fall Economic Statement Implementation Act, 2022* ("Bill C-32"), which received Royal Assent on December 15, 2022. Very briefly, under the trust reporting rules as amended by Bill C-32, certain express trusts and bare trusts that had been previously exempt from filing the T3, Trust Income Tax and Information Return ("T3"), were now required to file T3s for taxation years ending on

² Terrance S. Carter, Jacqueline M. Demczur and Adriel N. Clayton, *Charity & NFP Law Bulletin No. 528*, "Finance Proposes Complicated Amendments to Trust Reporting Requirements" (August 29, 2024), online: *Carters Professional Corporation*, <https://www.carters.ca/pub/bulletin/charity/2024/chylb528.pdf>.

or after December 31, 2023. An administrative exemption was subsequently provided by the Canada Revenue Agency (CRA) exempting registered charities from filing T3s for their internal trusts. A separate administrative exemption was also provided for bare trusts where certain requirements were met.

Further draft legislation (the “2024 Draft Legislation”) was introduced by the Department of Finance Canada (“Finance”) on August 12, 2024, proposing to amend certain aspects of the trust reporting requirements. While this 2024 Draft Legislation was never introduced or passed, it was re-released by Finance on August 13, 2025 with additional amendments by way of “Legislative Proposals Relating to the *Income Tax Act* and the *Income Tax Regulations* (Technical Amendments)” (the “2025 Draft Legislation”).³ These amendments are discussed in greater detail in the *September 2025 Charity & NFP Law Update*.⁴

Of note, bare trusts were excluded from trust reporting requirements in certain situations in the 2024 and 2025 Draft Legislation. As well, the 2025 Draft Legislation had provided that the application date for reporting by bare trusts would apply to taxation years ending on or after December 31, 2025. However, Budget 2025 proposes to defer this application date for reporting by bare trusts to taxation years ending on or after December 31, 2026.

As the amendments in the 2025 Draft Legislation are very complex, it is hoped that Finance will be able to provide some further clarity on these provisions before the trust reporting requirements come into effect.

4. VARIOUS CHANGES TO THE ITA PROPOSED IN THE 2024 FALL ECONOMIC STATEMENT AND THOSE RELEASED ON AUGUST 12, 2024

Budget 2025 states that the government has considered each of the outstanding tax measures announced by the previous government and confirms that it intends to proceed with a long list of measures set out in Budget 2024, “as modified to take into account consultations and deliberations since their release.”

The list of previously proposed changes, some go as far back as 2021, while others are as recent as August 15, 2025. Among the long list of proposed changes, the following two contains significant proposed changes affecting the non-profit and charitable sector (other than those proposed changes already explained in this Bulletin, such as reporting by NPOs and trust reporting):

- Proposals announced in the 2024 Fall Economic Statement, which was released on December 16, 2024,⁵ and
- Legislative and regulatory proposals released on August 12, 2024.⁶

³ Department of Finance Canada, “Legislative Proposals Relating to the *Income Tax Act* and the *Income Tax Regulations*” (August 15, 2025) online: Government of Canada, <https://fin.canada.ca/drleg-apl/2025/ita-lir-0825-l-1-eng.html>.

⁴ Terrance S. Carter and Adriel N. Clayton, *September 2025 Charity & NFP Law Update*, “Legislation Update” (September 25, 2025) online: *Carters Professional Corporation*, https://www.carters.ca/index.php?page_id=3696.

⁵ Details of the 2024 Fall Economic Statement affecting the non-profit and charitable sector are explained in Terrance S. Carter, Urshita Grover, Adriel Clayton and Cameron A. Axford, *Charity & NFP Law Bulletin No. 530*, “Impact of the 2024 Fall Economic Statement on the Charitable and Not-for-Profit Sector”, (December 17, 2024) online: *Carters Professional Corporation*, <https://www.carters.ca/pub/bulletin/charity/2024/chylb530.pdf>.

⁶ Highlights of the proposed changes contained in the legislative and regulatory proposals released on August 12, 2024, are summarized in *Carters Professional Corporation*, *August 2024 Charity & NFP Law Update* (August 29, 2024) online: <https://www.carters.ca/pub/update/charity/24/aug24.pdf>.

Readers may recall that the 2024 Fall Economic Statement proposed to enact various legislative and regulatory proposals released on August 12, 2024. The 2024 Fall Economic Statement proposed to enact various changes related to Budget 2024.⁷ Some of the proposed changes in Budget 2024 have already been enacted into law by Bill C-69, *Budget Implementation Act, 2024, No. 1*, which received Royal Assent on June 20, 2024. As such, presumably, it is the government's intention to move ahead with the remaining "outstanding" proposed changes contained in Budget 2024, in the August 12, 2024, release, as well as the 2024 Fall Economic Statement.

Examples of proposals contained in the 2024 Budget that have not been enacted into law include:

- Amend the ITA provisions to extend the period for which qualifying foreign charities are granted status as a qualified donee from 24 months to 36 months, and requiring foreign charities to submit an annual information return to the CRA that includes the total amount of receipts issued to Canadian donors, the total amount of gifts received from qualified donees, and information on how those funds were used.
- Various amendments to the ITA to simplify and modernize the way in which the CRA provides services and communicates information digitally to registered charities and other qualified donees, and the public in general.
- Various amendments to the ITA to simplify the issuance of official donation receipts and to align the process for issuing receipts with modern practices of charities.
- New measures aimed at further expanding the CRA's audit and information gathering capabilities, which would include non-profits and charities.

Another difficulty with Budget 2025 is that it does not specify exactly *which* of these previously proposed changes this government would move forward. Instead of setting out a specific list, Budget 2025 provides that the proposed changes in 2024 Fall Economic Statement that it intends to move forward with "*including* with respect to the following measures" and gave the following list:

- Exempting the Canada Disability Benefit from Income;
- Expanding Eligibility under the Clean Electricity Investment Tax Credit to the Canada Infrastructure Bank;
- Modifying the Small Nuclear Energy Eligibility under the Clean Technology Investment Tax Credit;
- Expanding Eligibility under the Clean Hydrogen Investment Tax Credit to Methane Pyrolysis; and
- Extension of the Accelerated Investment Incentive and Immediate Expensing Measures

There are other proposed changes contained in the 2024 Fall Economic Statement that are not contained in this presumably short five bullet non-exhaustive list:

- One such proposal that is of great concern to the charitable sector is the indication in 2024 Fall Economic Statement that the Government intends to proceed with the measures announced in the October 29, 2024, Notice of Ways and Means Motion regarding reproductive

⁷ Details of the Budget 2024 are explained in Terrance S. Carter, Sean S. Carter, Urshita Grover, Theresa L.M. Man, Ryan M. Prendergast, Esther Shainblum, Cameron A. Axford and Martin U. Wissmath, *Charity & NFP Law Bulletin No. 526* (April 17, 2024) online: *Carters Professional Corporation*, <https://www.carters.ca/pub/bulletin/charity/2024/chylb526.pdf>.

service charities.⁸ In this regard, Finance released a backgrounder,⁹ explaining that the legislation proposed requiring charities that provide reproductive health services to publicly disclose, both in public communications and in annual information returns, if they do not provide abortion or birth control services, and if not, then to further provide information on how to access these services, or contact information for providers. Non-compliance could result in the revocation of charitable status for these charities. The scope of the proposed legislation would apply not only to charities directly involved in reproductive services but also to other registered charities that “expressly or implicitly advertise” the services of another affected organization. This expansion risks drawing a much broader group of charities into the scope of the proposed amendment, including but not limited to many faith-based charities. However, to add to the confusion, the proposed legislative changes released on October 29, 2024, are not among the stated list of outstanding proposed legislation contained in Budget 2025, but is nevertheless contained in the 2024 Fall Economic Statement. This proposed change would have huge impact on the sector.¹⁰ Clarity is needed whether this proposed change is among those contemplated by the Budget 2025 to move forward.

- The 2024 Fall Economic Statement also indicated that the Government intends to “to launch interdepartmental dialogues with non-profit organizations to deepen awareness, enhance communication, and better combat money laundering, terrorist financing, and sanctions evasion risks.” This would be a welcomed development for the sector which often run the risk of inadvertently falling afoul of anti-money laundering/anti-terrorist financing laws, and can pose a significant risk to the organizations and their leadership.

Lastly, another difficulty in identifying which proposed changes the Government intends to move forward with and what those changes may look like is that no details are provided in Budget 2025 concerning how the originally proposed changes will be “modified” as a result of “consultations and deliberations” the Government received since their release.

As such, it waits to be seen what those changes may be in future release of technical amendment to the ITA. Stay tuned!

5. PROPOSED CHANGES TO CANADA’S ANTI-MONEY LAUNDERING AND ANTI-TERRORIST FINANCING REGIME

Budget 2025 introduces coordinated measures to strengthen Canada’s anti-money laundering and anti-terrorist financing (“AML/ATF”) framework. Key initiatives include establishing a new federal enforcement agency, amending the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (“PCMLTFA”) and related regulations, and enhancing compliance supervision across the financial system.

⁸ Details of the October 29, 2024, notice of ways and means is explained in Terrance S. Carter and Adriel N. Clayton, *November 2024 Charity & NFP Law Update*, “Legislation Update” (November 28, 2024) online: *Carters Professional Corporation*, https://carters.ca/index.php?page_id=3593.

⁹ Department of Finance, Backgrounder “Protecting reproductive freedom by preventing abuse of charitable status” (October 29, 2024) online: Government of Canada, <https://www.canada.ca/en/department-finance/news/2024/10/protecting-reproductive-freedom-by-preventing-abuse-of-charitable-status.html>.

¹⁰ See Terrance S. Carter, Jacqueline M. Demczur and Adriel N. Clayton, *August 2025 Charity & NFP Law Update*, “Politicization of Charitable Status Should Be Avoided” (August 28, 2025) online: *Carters Professional Corporation*, https://www.carters.ca/index.php?page_id=3683, and Terrance S. Carter and Jacqueline M. Demczur, *September 2025 Charity & NFP Law Update*, “Submission by 34 Charity Lawyers to Finance Concerning Politicization of Charitable Status” (September 25, 2025) online: *Carters Professional Corporation*, https://www.carters.ca/index.php?page_id=3694.

These proposals build upon earlier initiatives, such as Bill C-2 (the *Strong Borders Act*),¹¹ which sought to prohibit large cash donations and expand AML/ATF oversight to a wider range of entities.¹² The Budget 2025 announcements signal a continued emphasis on tightening Canada's approach to financial crime prevention, with implications for charities and NFPs that handle financial transactions. Elements of that bill are now being advanced through Bill C-12 (the *Strengthening Canada's Immigration System and Borders Act*),¹³ emphasizing financial-crime while deferring other aspects for further review.¹⁴

Budget 2025 proposes the creation of a new Financial Crimes Agency to serve as Canada's lead enforcement body for complex financial crimes. The agency will consolidate specialized police and civilian expertise to investigate money laundering, organized crime, online financial fraud, and asset recovery.

Legislation establishing the agency is expected in spring 2026. While details are limited, the initiative reflects an intent to centralize investigative and enforcement functions under a single federal authority.

A significant element of the AML/ATF measures in Budget 2025 involves amendments to the PCMLTFA and related regulations to address vulnerabilities associated with large cash transactions.

Under the proposed amendments, it would be prohibited for an organization to:

1. Accept a cash payment, donation, or deposit of \$10,000 or more, and
2. Accept third-party cash deposits, where one person deposits cash into another person's account.

These restrictions mirror those in Bill C-2 and would make it an offence for organizations engaged in charitable fundraising to accept large cash donations. Charities should encourage donors to use traceable payment methods such as cheques, e-transfers, or wire transfers for larger gifts.

Additionally, Budget 2025 proposes to amend the PCMLTFA and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* (PCMLTFR) to provide that certain AML/ATF provisions apply to all financial donations, whether or not the donation is considered to be "charitable." This underscores the government's intention that AML/ATF requirements extend broadly to all forms of financial giving. For charities and NFPs, the proposed framework underscores the importance of maintaining up-to-date financial controls, donor verification processes, and record-keeping procedures to mitigate potential compliance risks.

Finally, Budget 2025 proposes amendments to the *Canada Business Corporations Act*, the *Canada Not-for-profit Corporations Act*, and the *Canada Cooperatives Act* to allow for the expedited dissolution of corporations that are listed as terrorist entities under the *Criminal Code*. If implemented, these

¹¹ Bill C-2, *An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures*, 1st Sess, 45th Parl, 2025, <https://www.parl.ca/DocumentViewer/en/45-1/bill/C-2/first-reading>.

¹² For further background information about Bill C-2, see Terrance S. Carter et al., *June 2025 Charity & NFP Law Update* "Bill C-2 Proposes Prohibition on Cash Gifts Above \$10,000" (June 2025), online: *Carters Professional Corporation*, https://www.carters.ca/index.php?page_id=3672 and Terrance S. Carter et al., *August 2025 Charity & NFP Law Update*, "AML/ATF Update" (August 2025), online: *Carters Professional Corporation*, https://www.carters.ca/index.php?page_id=3691.

¹³ Bill C-12, *An Act respecting certain measures relating to the security of Canada's borders and the integrity of the Canadian immigration system and respecting other related security measures*, 1st Sess, 45th Parl, 2025, <https://www.parl.ca/DocumentViewer/en/45-1/bill/C-12/first-reading>.

¹⁴ For further background information about Bill C-2, see Terrance S. Carter and Adriel N. Clayton, *October 2025 Charity and NFP Law Update*, "Bill C-12 and the Division of the Strong Borders Act" (October 2025), online: *Carters Professional Corporation* https://www.carters.ca/index.php?page_id=3708.

provisions would prevent such entities from operating through federally incorporated organizations and support public confidence in Canada's corporate framework.

Taken together, these proposals reflect an ongoing expansion of Canada's AML/ATF regime across both the private, as well as the charitable and NFP, sectors. While the full scope of regulatory impact will depend on forthcoming budget implementation legislation and regulations, charities and NFPs should continue to monitor these developments, review their financial practices, and ensure that compliance mechanisms align with evolving federal standards.

6. OBSOLETE OR SURPLUS GOODS – PILOT FOR DONATED GOODS

Budget 2025 proposes legislative amendment to the *Customs Tariff* to allow for duty drawback (a refund on domestic duty) paid for certain goods when they are donated to a registered charity under the ITA. However, this drawback (refund) is only available where the goods are used in the charity's charitable programs and not re-sold in Canada. This measure is expected to benefit charities and low-income persons who use charitable services to meet their essential needs, such as clothing.

For purposes of the Obsolete or Surplus Goods Program, Canada Border Services Agency ("CBSA") defines "obsolete" goods as those goods that are no longer useful or are antiquated. Examples include unfashionable, outdated or archaic goods that have had a decline in popularity such as eight track cassettes, typewriters and black and white televisions, and expired medication. CBSA defines "surplus" goods as those that are more than, or in excess of, what is needed or required. Examples of surplus goods include seasonal items remaining in inventory after the season has ended or a souvenir remaining in inventory after an event has concluded.

7. PROGRAM FUNDING AND GRANTS

Budget 2025 introduces several new initiatives and funding measures to strengthen Canada's charitable and NFP sector. These programs focus on housing, cultural development, education and research. The following list highlights some of the notable initiatives:

- Build Canada Homes ("BCH"), a new federal agency launched on September 14, 2025, aims to tackle homelessness by expanding transitional and supportive housing in partnership with provinces, territories, municipalities and Indigenous communities. BCH will also build affordable community and co-op housing for low-income households, while working with private and non-profit builders to increase the supply of affordable homes for the Canadian middle class. With a \$13 billion investment over five years, BCH will protect existing affordable housing by launching the \$1.5 billion Canada Rental Protection Fund, provide \$1 billion to build transitional and supportive housing for people who are homeless or at risk of homelessness, and work with the Nunavut Housing Corporation to build over 700 public affordable and supportive housing units.
- Funding for Canadian Heritage and Environment and Climate Change Canada to support festivals, and community-driven cultural events across Canada, boosting participation, community identity, and cultural access for Canadians. Canadian artists, cultural workers, volunteers, and event organizers who participate in these events would also benefit from the employment opportunities they provide.¹⁵ As part of this program, \$21 million will be provided over three years to Canadian Heritage for the *Building Communities through Arts and Heritage Program* to support local festivals, community anniversaries, and community-initiated capital projects and funding will be provided for other projects.
- To achieve up to 15% savings over three years, Global Affairs Canada is refocusing its international efforts on advocacy, security, and development while reforming its trade and investment activities to align with current strategic and geopolitical needs. This includes

¹⁵ Budget 2025, *supra* note 1 at 32, Annex 6.

reducing development funding for global health programs (which have grown disproportionately compared to similar economies), some international financial institutions, and refining some bilateral development programs, thereby resetting the International Assistance Envelope to pre-COVID levels.

- Budget 2025 proposes new legislation and funding to Employment and Social Development Canada, Indigenous Services Canada, and Crown-Indigenous Relations and Northern Affairs Canada, to make the National School Food Program permanent. This program will benefit children particularly those at higher risk of experiencing food insecurity by providing meals for up to 400,000 children every year. The National School Food Program is helping provinces, territories, and indigenous partners expand their existing school food programs.
- Canada-wide early learning and child care transfer payments to provinces, territories, and municipalities, to increase from \$7.9 billion to \$8.5 billion, reflecting 3 per cent per year growth for four years starting in 2027-28 as announced in 2025. This also includes \$625 million over four years, beginning in 2023-24, for the Early Learning and Child Care Infrastructure Fund.
- The government also proposes a one-time initiative to recruit over a thousand highly qualified international researchers to Canada. Budget 2025 proposes to provide up to \$1.7 billion for several recruitment measures including, \$1 billion over 13 years, starting in 2025-26, to the Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, and Canadian Institutes of Health Research to launch an accelerated research Chairs initiative to recruit exceptional international researchers to Canadian universities and \$400 million over seven years, starting in 2025-26, to the Canada Foundation for Innovation to establish a complementary stream of research infrastructure support to ensure these recruited Chairs have the equipment they need to conduct research in Canada.

8. INDIGENOUS PEOPLES INITIATIVES

Budget 2025 reaffirms the Federal Government's commitment to "build in true partnership with Indigenous Peoples" and proposes numerous initiatives for boosting funding and support for Indigenous Peoples. Notable examples include the following:

- Budget 2025 proposes to introduce legislation and provide \$216.6 million per year starting in 2029-2030 to Employment and Social Development Canada, Indigenous Services Canada, and Crown-Indigenous Relations and Northern Affairs Canada, to make the National School Food Program permanent.
- The government announced its intention to make legislative amendments to the *First Nations Fiscal Management Act* (FNFMA) that will enable the First Nations Finance Authority to lend to Indigenous special purpose vehicles, which is expected to expand options for affordable financing and better support Indigenous equity participation in major economic projects.
- Budget 2025 proposes to provide the Major Projects Office with \$213.8 million over five years (starting in 2025 to 2026), including support for the Indigenous Advisory Council with \$19.8 million coming from existing resources. It also proposes to provide \$10.1 million over three years to Crown-Indigenous Relations and Northern Affairs Canada to continue leading the Federal Initiative on national interest projects listed under the *Building Canada Act*. The government is providing \$40 million over two years to Indigenous Services Canada through the Strategic Partnerships Initiative to build Indigenous capacity and support pre-designation consultations under the Act.
- Budget 2025 commits to co-developing Indigenous housing solutions through Build Canada Homes and a cross-government Indigenous Housing Strategy led by the Minister of Indigenous Services, confirming \$2.8 billion for urban, rural, and northern Indigenous housing with over \$3 billion still available for First Nations, Inuit, and Métis to advance their housing

priorities. It also raises the Canada Infrastructure Bank's Indigenous infrastructure target from at least \$1 billion to at least \$3 billion across its priority sectors for these communities.

- The government confirmed that it will move forward with selected outstanding tax measures from the previous government (as updated following consultations), which includes proceeding with the proposed Alternative Minimum Tax exemption for certain trusts benefiting Indigenous groups announced in Budget 2024. For more details on this exemption, please refer to our *Charity & NFP Law Bulletin No. 526*.¹⁶



Carters Professional Corporation
Lawyers & Trademark Agents

Toronto ♦ Ottawa ♦ Orangeville
Toll Free: 1-877-942-0001 ♦ www.carters.ca

DISCLAIMER: This is a summary of current legal issues provided as an information service by Carters Professional Corporation. It is current only as of the date of the summary and does not reflect subsequent changes in the law. The summary is distributed with the understanding that it does not constitute legal advice or establish a solicitor/client relationship by way of any information contained herein. The contents are intended for general information purposes only and under no circumstances can be relied upon for legal decision-making. Readers are advised to consult with a qualified lawyer and obtain a written opinion concerning the specifics of their particular situation. © 2025 Carters Professional Corporation

¹⁶ Terrance S. Carter et al., *Charity & NFP Bulletin No. 526*, "Federal Budget 2024: Impact on Charities and Not-For-Profits" (April 2024), online: *Carters Professional Corporation* <https://www.carters.ca/pub/bulletin/charity/2024/chylb526.pdf>.