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Publisher's Note

2022 — Release 1

Previous release was 2021-1

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Charities Taxation, Policy and Practice — Taxation

This release includes commentary and miscellaneous updates in the following chapters:
2, 4, 5, 8, 9, 10, 12, 13, 14, 17, 18, 19, and 20.

Highlights

Highlights of this release include the following:

- **Chapter 2: History of the Taxation of Charities and Donations**
A new section, 2021 Federal Budget, has been added proposing to boost social finance; intentions to launch a public consultation regarding the possible increase of Disbursement Quotas; renew the Investment Readiness Program; and new amendments to the *Income Tax Act*. The government of British Columbia appointed their first Parliamentary Secretary for charities and non-profit organizations as a response to challenges heightened by COVID-19.
- **Chapter 4: Registration**
The chapter has been reviewed and updated. Commentary has been added

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discussing continuation of efforts to modernize the registration process for charities, and the Charities Directorate implementing a new application screening tool.

- **Chapter 5: Charitable Organizations**
Commentary has been added discussing charities' media platforms and political activities.
- **Chapter 9: Record-keeping, Reporting, and Transparency**
The CRA will no longer accept Form RC232. Organizations that hire accounting and invoicing firms to handle their business's tax compliance matters should ensure they are not wilfully blind to any omissions or inaccuracies citing *Frank-Fort Construction Inc. v. R.*
- **Chapter 10: Audits, Sanctions, and Appeals**
A new subsection has been added discussing revocation for inadequate separation between charity and non-qualified donees. Commentary has been updated discussing recommendation 23 from the 2019 Senate Committee Report.
- **Chapter 12: International Charitable Activities**
Agency agreement details have been updated.
- **Chapter 13: Political Activities**
Public policy dialogue and development activities (PPDDA) policy commentary has been updated.
- **Chapter 14: Business and Business-like Activities**
In 2021, the Canadian government has committed to developing a Social Innovation and Social Finance Strategy.
- **Chapter 17: Charitable Organizations**
Regarding advisor liability, commentary has been added discussing *Continental Casualty Company v. Lawyers' Professional Indemnity Company*.
- **Chapter 19: Issuing Receipts and Fundraising**
In *Ekue T. Kueviakoe v. R.* where the omission of a donor's first name and middle initial on a tax receipt rendered it non-compliant with income tax regulations, thus invalid is discussed.
- **Chapter 20: Select Gift Planning Issues**
Criticisms of donor advised funds; testamentary charitable remainder trusts; and donation tax credit upon a graduated rate estate donation are discussed.