

May 27, 2022

The Honourable Chrystia Freeland  
Deputy Prime Minister and Minister of Finance

Dear Minister Freeland,

I am writing to you as the President and CEO of the Calgary Chamber of Voluntary Organizations (CCVO), a member-based charitable organization that represents the interests of the 26,000 nonprofits in Alberta, to express support for the recommendations of Cooperation Canada (and the 66 signatories in support), Imagine Canada, Philanthropic Foundations of Canada, and ONN with proposed amendments to the Budget Implementation Act, 2022 (Bill C-19).

We acknowledge the stated intent of Bill C-19 to enable registered charities to more effectively partner with non-qualified donees while still ensuring proper accountability. However, while we commend the Government of Canada for prioritizing important legislative changes that have been long sought by nonprofits, we echo concerns of our colleagues that these changes do not meet the spirit of Bill S216 but will reinforce paternalistic relationships between charities and grassroots organizations.

In general, a minimum of language from Bill S-216 must be included in the Budget Implementation Act 1 (Bill C-19) text in order for it to be effective in addressing these concerns. We strongly urge that the BIA, at minimum, be amended to:

- 1) In section 149.1(1), refine the proposed definition of 'qualifying disbursement':
  - a) Remove the reference to the disbursement meeting 'prescribed conditions', and replace it with a requirement that the charity instead takes reasonable steps to ensure that the resources disbursed are used exclusively in furtherance of a charitable purpose.
- 2) In subsection 21, amend the proposed language in paragraph 168(1)(f) of the Act.
- 3) Delete proposed Regulation 3703 in its entirety.
  - a) This would allow for the regulations to move back into CRA guidance documents, and not exist as codified rules in the Income Tax Act.

To achieve the Government's stated objective of getting more funding to communities, while cutting unnecessary red tape, we recommend amending the proposed changes to s.168(1)(f).

We would be pleased to discuss any part of this letter and provide further details as needed.

Thank you for your serious consideration of amending the Budget Implementation Act.

Sincerely,

A handwritten signature in black ink that reads 'K Ball'.

Karen Ball  
President & CEO