



FEV 15 2006

BY REGISTERED MAIL

BC Food Bank Association
19 567 Fraser Highway, Suite 318
Surrey, British Columbia V3S 9A4

Attention: Mr. Jerry Martin

BN: 89394 6665 RR0001
File #: 1094192

SUBJECT: Notice of Intent to Revoke
BC Food Bank Association

Dear Mr. Martin:

I am writing to you further to our letter dated July 11th, 2005 (copy enclosed), in which you were invited to submit representations to us as to why the Minister of National Revenue should not revoke the registration of BC Food Bank Association (hereinafter, the "Association") in accordance with subsection 168(1) of the *Income Tax Act* (hereinafter, the "Act").

The auditor was unable to perform an audit due to the fact that the Association did not return our calls nor did it reply to our letters. The Association has failed to respond to the Administrative Fairness Letter of July 11, 2005. The Association also has not tried to contact the Canada Revenue Agency (the "CRA"). We have so far only received unclaimed mail. We therefore were never provided with your books and records, nor your 2003 and 2004 T-3010A returns. As a result, sufficient reason does not exist as to why the Association's status as a registered charity should not be revoked.

I wish to advise you that pursuant to the authority granted to the Minister in subsection 168(1) of the *Act* and delegated to me, I propose to revoke the registration of BC Food Bank Association. By virtue of subsection 168(2) of the *Act*, the revocation will be effective on the date of publication in the *Canada Gazette* of the following notice:

Notice is hereby given, pursuant to paragraphs 168(1)(b), 168(1)(d) and 168(1)(e) of the Income Tax Act, that I propose to revoke the registration of the organization listed below and that the revocation of registration is effective on the date of publication of this notice.

.../2

File Number	Business Number	Name
10941921	89394 6665RR0001	BC Food Bank Association Surrey, British Columbia

Should you wish to appeal this notice of intention to revoke the Association's registration, you must file an objection. To file an objection, you must submit a written document setting out the reasons for the objection and the relevant facts. This must be filed within 90 days from the date of the present letter and sent to:

Tax and Charities Appeals Directorate
Appeals Branch
25 Nicholas Street
Ottawa, ON K1A 0L5

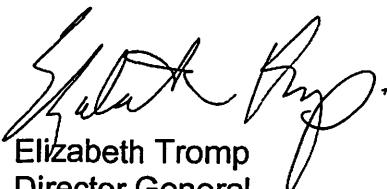
Consequences of a Revocation

As of the date of revocation of the registration of BC Food Bank Association, which is the date upon which the above-noted notice is published in the *Canada Gazette*, BC Food Bank Association will no longer be exempt from Part I Tax as a registered charity and **will no longer be permitted to issue official donation receipts**.

Additionally, the Association may be subject to tax pursuant to Part V, section 188 of the Act. For your reference, I have attached a copy of the relevant provisions of the Act (Appendix "A") concerning revocation of registration and the tax applicable to revoked charities as well as appeals against revocation.

I wish to advise you that pursuant to subsection 150(1) of the Act, a return of income for each taxation year in the case of a corporation (other than a corporation that was a registered charity throughout the year) shall without notice or demand therefore, be filed with the Minister in prescribed form containing prescribed information.

Yours sincerely,



Elizabeth Tromp
Director General
Charities Directorate

Attachments

- Our Administrative Fairness Letter dated July 11, 2005
- Appendix "A", Relevant provisions of the *Income Tax Act*



Canada Revenue
Agency

Agence du revenu
du Canada

BY REGISTERED MAIL

BC Food Bank Association
#318 19567 Fraser Highway
Surrey BC V3S 9A4

893946665RR0001

Attention: Mr. Martin

July 11, 2005

Dear Mr. Martin,

Re: **Charity Audit Request for the BC Food Bank Association.**
BN # 893946665

This letter is further to the request for an appointment to audit of the books and records of account of BC Food Bank Association. The audit related to the operations of the organization for its fiscal period ending May 5th, 2002.

The BC Food Bank Association has not filed a T3010 Charity Return for the years ending May 31st, 2003 or May 31st, 2004. This is a breach of the *Income Tax Act* (the "Act"). For a registered charity to retain its registration, it must comply with the provisions of the *Act*. If a particular registered charity does not comply with these provisions, the Minister may revoke that charity's registration in the manner described in paragraph 168(2) of the *Act*. The balance of this letter describes the Canada Revenue Agency's concerns.

Failure to Provide Books & Records:

Pursuant to paragraph 231.1 (1)(a), " An authorized person may, at all reasonable times, for any purpose related to the administration or enforcement of this Act, inspect, audit or examine the books and records of a taxpayer and any document of the taxpayer or of any other person that relates or may relate to the information that is or should be in the books or records of the taxpayer or to any amount payable by the taxpayer under this Act"

We have been unable to contact the BC Food Bank Association. We have been unable to contact any of the listed directors of the BC Food Bank Association. The letter dated May 14th, 2005 requested an appointment to view the books and records of the BC Food Bank Association. A charity is required to provide books and records for review when asked. Failure to comply with a request to view the books and records is a breach of section 231.1 and paragraph 168 (1) (e) of the *Income Tax Act*.

Canada

Failure to File an Information Return:

As mentioned above BC Food Bank Association has not filed its' T3010 Charity returns for 2003 and 2004. For the year ending May 31st, 2003, the T3010 was due on November 30th, 2003. For the year ending May 31st, 2004, the T3010 was due on November 30th 2004.

Under paragraph 168 (1) (c) of the *Act*, the Minister may, by registered mail, give notice to the Charity that the Minister proposes to revoke its registration because it "fails to file an information return as and when required under this *Act* or a regulation."

Conclusion

For the reasons indicated above, it appears to us that there are grounds for revocation of BC Food Bank Associations status as a registered charity.

The consequences to a registered charity of losing its registration include:

1. the loss of its tax exempt status as a registered charity which means that the charity would become a taxable entity under Part I of the *Income Tax Act* unless, in the opinion of the Director of the applicable Tax Services Office, it qualifies as a non-profit organisation as described in paragraph 149(1)(l) of the *Act*;
2. loss of the right to issue official donation receipts for income tax purposes which means that gifts made to the charity would not be allowable as a tax credit to individual donors as provided at subsection 118.1(3) of the *Act* or as a deduction allowable to corporate donors under paragraph 110.1(1)(a) of the *Act*; and
3. the possibility of a tax payable under Part V, subsection 188(1) of the *Act*.

For your reference, we have attached a copy of the relevant provisions of the *Income Tax Act* concerning revocation of registration and the tax applicable to revoked charities as well as appeals against revocation.

If you do not agree with the facts outlined above, or if you wish to present any reasons why the Minister should not revoke the registration of BC Food Bank Association in accordance with subsection 168(2) of the *Act*, you are invited to submit your representations within 30 days from the date of this letter. Subsequent to this date, the Director of Charities will decide whether or not to proceed with the issuance of a Notice of Intention to revoke registration of BC Food Bank Association in the manner described in section 168 of the *Act*.

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If you appoint a third party to represent you in this matter, please send us a written authorization naming that individual and explicitly authorizing that individual to discuss the BC Food Bank Association's file with us.

If you require further information, clarification, or assistance, please write to the undersigned at the address listed below or call the telephone number listed below.

Yours truly,

Joanna Saunders

Joanna Saunders
Verification & Enforcement
1415 Vancouver Street
Victoria, BC V8V 3W4

Telephone: (250) 715 - 2302
Fax: (250) 363 - 8258