



REGISTERED MAIL

Sandra Simans
President
1atatime Rescue Society
2919 Georgia Street East
Vancouver BC V5K 2K5

BN: 829312479 RR0001
File #: 3031818

NOV 14 2018

Dear Sandra Simans:

**Subject: Notice of intention to revoke
1atatime Rescue Society**

We are writing with respect to our letter dated January 10, 2018 (copy enclosed), in which 1atatime Rescue Society (the Organization) was invited to respond to the findings of the audit conducted by the Canada Revenue Agency (CRA), and explain why the registration of the Organization should not be revoked in accordance with subsection 168(1) of the Income Tax Act.

We have reviewed and considered your written response dated March 1, 2018. Your reply has not alleviated our concerns with respect to the Organization's failure to devote resources to charitable activities, failure to maintain adequate books and records, and failure to file on time and accurately complete the T3010, Registered Charity Information Return. Our concerns are explained below.

The response received on March 1, 2018, included some additional documents and an explanation about the British Columbia Society for the Prevention of Cruelty to Animals (BC SPCA) and the BC Farm Industry Review Board. The Organization has not demonstrated its activities related to animal welfare are not contrary to the law and how it would implement changes to correct its non-compliance with the Act. As previously raised in our letter dated January 10, 2018, the CRA has serious reservations as to the capacity of the Organization to carry out charitable activity relating to animal welfare.

It is our position that the Organization's response has not adequately addressed the specific non-compliance issues of having purposes or activities that are contrary to the law; failing to devote its resources to charitable activity; and failing to provide a public benefit. As a result, our position is that the Organization has failed to meet the requirements of subsection 149.1(1) of the Act that it devote substantially all of its resources to charitable activities carried on by the Organization itself, and there are grounds for revocation of its charitable status under paragraph 168(1)(b) of the Act.

Although additional documentation for expenditures was submitted for review, the records were not complete and could not be reconciled to the Organization's reporting periods. While the Organization has accepted responsibility for not keeping adequate books and records, the Organization's representations do not specifically detail steps it will take to address what and how it would maintain adequate books and records other than stating that they will take CRA's suggestions and instructions seriously and follow the correct protocol moving forward.

The Organization has not alleviated CRA's concerns with respect to the Organization's failure to maintain adequate books and records relating to the lack of internal controls; inadequate documentation; issuing receipts not in accordance with the Act and/or its Regulation; and lack of meeting minutes regarding decisions made by the board of directors. Therefore, it remains the CRA's position the Organization's charitable status should be revoked under paragraph 168(1)(d) and 168(1)(e) of the Act.

The Organization did not fully address the non-compliance issue of filing the T3010, Registered Information Charity return, on time and accurately in their representations. Therefore, the Organization has not alleviated the CRA's concerns and it remains our position that the Organization's charitable status should be revoked under paragraph 168(1)(c) of the Act.

Conclusion

The audit by the CRA found that the Organization is not complying with the requirements set out in the Act. In particular, it was found that the Organization failed to devote resources to charitable activities; failed to maintain adequate books and records; and failed to file an information return as and when required by the Act. For all of these reasons, and for each reason alone, it is the position of the CRA that the Organization no longer meets the requirements for charitable registration and should be revoked in the manner described in subsection 168(1) of the Act.

For each of the reasons mentioned in our letter dated January 10, 2018, pursuant to subsection 168(1) and 149.1(2) of the Act, we propose to revoke the registration of the Organization. By virtue of subsection 168(2) of the Act, revocation will be effective on the date of publication of the following notice in the Canada Gazette:

Notice is hereby given, pursuant to paragraphs 168(1)(b), 168(1)(c), 168(1)(d), 168(1)(e), and subsection 149.1(2), of the Income Tax Act, that I propose to revoke the registration of the charity listed below and that by virtue of paragraph 168(2)(b) thereof, the revocation of registration is effective on the date of publication of this notice in the Canada Gazette.

Business number
829312479RR0001

Name
Iatitime Rescue Society
Vancouver BC

Should the Organization choose to object to this notice of intention to revoke the Organization's registration in accordance with subsection 168(4) of the Act, a written notice of objection, with the reasons for objection and all relevant facts, must be filed within **90 days** from the day this letter was mailed. The notice of objection should be sent to:

Tax and Charities Appeals Directorate
Appeals Branch
Canada Revenue Agency
250 Albert Street
Ottawa ON K1A 0L5

A copy of the revocation notice, described above, will be published in the Canada Gazette after the expiration of 90 days from the date this letter was mailed. As such, the Organization's registration will be revoked on the date of publication, unless the CRA receives an objection to this notice of intention to revoke within this timeframe.

A copy of the relevant provisions of the Act concerning revocation of registration, including appeals from a notice of intention to revoke registration, can be found in Appendix A, attached.

Consequences of revocation

As of the effective date of revocation:

- a) the Organization will no longer be exempt from Part I tax as a registered charity and **will no longer be permitted to issue official donation receipts**. This means that gifts made to the Organization would not be allowable as tax credits to individual donors or as allowable deductions to corporate donors under subsection 118.1(3) and paragraph 110.1(1)(a) of the Act respectively;
- b) by virtue of section 188 of the Act, the Organization will be required to pay a tax within one year from the date of the notice of intention to revoke. This revocation tax is calculated on Form T2046, Tax Return Where Registration of a Charity is Revoked (the Return). The Return must be filed, and the tax paid, on or before the day that is one year from the date of the notice of intention to revoke. The relevant provisions of the Act concerning the tax applicable to revoked charities can also be found in Appendix A. Form T2046 and the related Guide RC4424, Completing the Tax Return Where Registration of a Charity is Revoked, are available on our website at **canada.ca/charities-giving**;
- c) the Organization will no longer qualify as a charity for purposes of subsection 123(1) of the Excise Tax Act. As a result, the Organization may be subject to obligations and entitlements under the Excise Tax Act that apply to organizations other than charities. If you have any questions about your Goods and Services Tax/Harmonized Sales Tax (GST/HST) obligations and entitlements, please call GST/HST Rulings at 1-888-830-7747 (Quebec) or 1-800-959-8287 (rest of Canada).

Finally, we advise that subsection 150(1) of Act requires that every corporation (other than a corporation that was a registered charity throughout the year) file a return of income with the Minister in the prescribed form, containing prescribed information, for each taxation year. The return of income must be filed without notice or demand.

Yours sincerely,



Tony Manconi
Director General
Charities Directorate

Enclosures

- CRA letter dated January 10, 2018
- The Organization's representations dated March 1, 2018
- Appendix A, Relevant provisions of the Act

c.c.: Douglas Hunter



Richard Williams





CANADA REVENUE
AGENCY

AGENCE DU REVENU
DU CANADA

REGISTERED MAIL

1atatime Rescue Society
2919 E Georgia St
Vancouver BC V5K 2K5

Attention: Sandra Simans

BN: 829312479 RR0001

File #: 3031818

January 10, 2018

Subject: Audit of 1atatime Rescue Society

Dear Ms. Simans,

This letter results from the audit of 1atatime Rescue Society (the Organization) conducted by the Canada Revenue Agency (CRA). The audit related to the operations of the Organization for the period from April 1, 2014 to March 31, 2016.¹

The CRA has identified specific areas of non-compliance with the provisions of the *Income Tax Act* and/or its *Regulations* in the following areas.

AREAS OF NON-COMPLIANCE		
	Issue	Reference
1.	Failure to devote resources to charitable activities	149.1(1), 168(1)(b)
2.	Failure to maintain adequate books and records <ul style="list-style-type: none">a) Lack of internal controlsb) Inadequate documentationc) Issuing receipts not in accordance with the Act and/or its Regulationd) Meeting minutes	149.1(2), 168(1)(b), 168(1)(d), 168(1)(e), 230(2), Regulations 3500 and 3501
3.	Failure to file on time and accurately complete the T3010 <i>Registered Charity Information Return</i>	149.1(2), 149.1(14) 168(1)(c), 188.1(6)

This letter describes the areas of non-compliance identified by the CRA relating to the legislative and common law requirements that apply to registered charities, and offers the Organization an

¹ The audit encompassed an enquiry into all aspects of the Organization's operations. Activities conducted before and after the audit period may have also been considered to assess ongoing and current compliance.

opportunity to respond and present additional information. The Organization must comply with the law; if it does not, its registered status may be revoked in the manner described in section 168 of the Act.

General legal principles

In order to maintain charitable registration under the Act, Canadian law requires that an organization demonstrate that it is constituted exclusively for charitable purposes (or objects) and that it devotes its resources to charitable activities carried on by the organization itself in furtherance thereof. To be exclusively charitable, a purpose must fall within one or more of the following four categories (also known as "heads") of charity² and deliver a public benefit:

- relief of poverty (first category);
- advancement of education (second category);
- advancement of religion (third category); or
- certain other purposes beneficial to the community in a way the law regards as charitable (fourth category).

The public benefit requirement involves a two-part test:

- The first part of the test requires the delivery of a **benefit** that is recognizable and capable of being proved, and socially useful. To be recognizable and capable of being proved, a benefit must generally be tangible or objectively measurable. Benefits that are not tangible or objectively measurable must be shown to be valuable or approved by the common understanding of enlightened opinion for the time being. In most cases, the benefit should be a necessary and reasonably direct result of how the purpose will be achieved and of the activities that will be conducted to further the purpose, and reasonably achievable in the circumstances. An assumed prospect or possibility of gain that is vague, indescribable or uncertain, or incapable of proof, cannot be said to provide a charitable benefit.
- The second part of the test requires the benefit be directed to the public or a sufficient section of the public. This means a registered charity cannot:
 - have an eligible beneficiary group that is negligible in size, or restricted based on criteria that are not justified based on the charitable purpose(s); or
 - provide an unacceptable private benefit. Typically, a private benefit is a benefit provided to a person or organization that is not a charitable beneficiary, or to a charitable beneficiary that exceeds the bounds of charity. A private benefit will usually be acceptable if it is incidental, meaning it is necessary, reasonable, and not disproportionate to the resulting public benefit.³

² The Act does not define charity or what is charitable. The exception is subsection 149.1(1) which defines charitable purposes/objects as including "the disbursement of funds to qualified donees". The CRA must therefore rely on the common law definition, which sets out four broad categories of charity. The four broad charitable purpose/object categories, also known as the four heads of charity, were outlined by Lord Macnaghten in *Commissioners for Special Purposes of the Income Tax v Pemsel*, [1891] AC 531 (PC) [Pemsel]. The classification approach was explicitly approved of by the Supreme Court of Canada in *Guaranty Trust Co of Canada v MNR*, [1967] SCR 133, and confirmed in *Vancouver Society*, supra note 4.

³ For more information about public benefit, see CRA Policy Statement CPS-024, *Guidelines for Registering a Charity: Meeting the Public Benefit Test*.

A charitable activity is one that directly furthers a charitable purpose, which requires a clear relationship and link between the activity and the purpose it purports to further. If an activity is, or becomes, a substantial focus of an organization, it may no longer be in furtherance of a stated purpose. Instead, the activity may further, or even form, a separate or collateral purpose. An organization with a collateral non-charitable purpose is ineligible for registration under the Act.

The CRA must be satisfied that the Organization's purposes are exclusively charitable in law, and that its activities directly further these charitable purposes in a manner permitted under the Act. To ascertain this, the current audit included a review of all the aspects of the Organization's activities, programs, books, records, and financial affairs.

Background of the Organization

The Organization was incorporated under the *British Columbia Society Act* on July 25, 2005, with the name Latatime Rescue Society. During the registration process, the Organization submitted the following purposes:

- "a. To initiate and support partnerships and cross-border relationships with animal rescue organizations to rescue animals in danger of being euthanized in high-kill shelters and other life-threatening situations;*
- b. To support and network with local animal rescue organizations to assist animals in danger of being euthanized;*
- c. To find suitable homes for animals that have been rescued from life threatening situations;*
- d. To educate the public on the plight of animals in life threatening situations;*
- e. To advocate for changes in laws to abolish euthanization of adoptable animals."*

At the time of application, the Organization was advised that its purposes were not exclusively charitable and recommendations were provided. The Organization amended its stated purposes effective May 22, 2006 to remove purposes a, b and e. and to read:

- "c. To find suitable homes for animals that have been rescued from life threatening situations*
- d. To educate the public on the plight of animals in life threatening situations."*

Its intended activities were to operate a rescue and placement program for homeless and abandoned animals. The CRA granted charitable registration effective May 30, 2006 on the understanding that the Organization will not undertake any activities beyond those described in the application for charitable registration, unless it received prior approval to do so from CRA.

The balance of this letter describes the identified areas of non-compliance in further detail.

Identified areas of non-compliance

1. Failure to devote resources to charitable activities

Pursuant to subsection 149.1(1) of the Act, a registered charity is required to devote all of its resources to charitable activities carried on by the organization. To comply with this requirement, a registered charity may only use its resources for charitable activities undertaken by the charity itself (usually carried out using its own staff or volunteers, or through an intermediary), or for gifting to "qualified donees."

Referencing guidance CG-011 *Promotion of animal welfare and charitable registration*,⁴ according to common law, a purpose is only charitable when it provides a benefit to the public (or a sufficient segment of the public). In the context of animal welfare, the courts have determined that promoting the welfare of animals provides an intangible moral benefit to humanity in general. As a result, the very act of showing kindness to animals in need of assistance or care satisfies the public benefit requirement under common law.

Charitable activities that could promote the welfare of animals may include, but are not limited to, the following types of activities:

- operating an animal rescue service
- maintaining a sanctuary for aging, dangerous, displaced, unhealthy, or former farm animals
- protecting the environment, such as by preserving an ecosystem and its wildlife
- monitoring the transportation of animals such as companion or agricultural animals

Relieving the suffering of animals generally means eliminating or minimizing pain, injury, or distress, or helping an animal recover from pain, injury, distress or abuse.

A charity that relieves suffering may seek to minimize any pain, injury, or distress felt by animals as a result of harm caused by others that is legally considered to be necessary or justifiable. Any harm a charity may cause to an animal in the course of relieving suffering must be legal and only for the purpose of relieving or minimizing greater pain or injury. If an organization harms animals in a way that is not legal, or that does not actually relieve suffering, this may be an activity that does not further a charitable purpose. For example, if a rescue center consistently took in more animals than it had the resources to care for properly, this activity might cause more suffering than it relieves. In such a case, the CRA may decide that the organization's activity, regardless of its intent, is not relieving suffering in a way the courts have decided is charitable.

It is the responsibility of charities that care for animals to familiarize themselves with relevant federal and provincial legislation, as well as any municipal bylaws regarding animal welfare, to make sure that their purposes and activities comply with the law.

⁴ See <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/promotion-animal-welfare-charitable-registration.html> for further information.

Audit Findings

During our conversations, the Organization stated the activities which accomplish its objectives include the care of animals such as adoption of animals, and providing assistance and resource information for pet owners regarding veterinary needs/spay/neuter. However, in recent years, the Organization became more of a sanctuary and provided respite care for animals with special needs and behavioural issues that no one wanted.

The Organization had been subject to three seizures by the British Columbia Society for the Prevention of cruelty to animals (BC SPCA), the society that is responsible for the enforcement of the province's Prevention of Cruelty to Animals Act (PCAA) and is mandated to prevent and relieve animals from situations of cruelty, neglect and distress. The first seizure occurred on June 13, 2012, where 68 animals were removed and were eventually returned to the Organization. The second seizure took place on September 19, 2016, where 88 animals were removed; and the third seizure took place on March 20, 2017, where 17 animals were removed. None of the animals from the last two seizures were returned to the Organization.

The Organization appealed the review decisions related to the last two seizures with the British Columbia Farm Industry Review Board (BCFIRB), who hears appeals about the decisions made by the BC SPCA. In both cases, the Organization lost the appeal.

The appeal decision dated December 2, 2016, by the BCFIRB⁵ concerning the return of the animals removed on September 16, 2016, resulted in a decision where the BC SPCA be permitted to keep all the animals it removed and the Organization be held liable to pay the amount of \$81,235.50 to the BC SPCA for reasonable care costs.

The appeal decision dated May 24, 2017, by the BCFIRB⁶ concerning the return of four of the 17 animals removed on March 20, 2017, resulted in a decision where the animals in dispute would not be returned to the Organization and the Organization be held liable to pay the amount of \$4,159.84 to the BC SPCA for reasonable care costs.

A review of the preceding decisions by the BCFIRB raises concerns about the Organization's activity. Specifically, the following points are noted from the above appeals:

- Of the 88 animals that were seized on September 19, 2016, three of the animals were deemed in critical distress and were euthanized. It was observed that some of the animals were the same ones that were seized in 2012 that had been returned. The BC SPCA officer determined that Ms. Simans failed in her legal duty to relieve the animals of distress after rescuing them, and also failed to care for them such that they would be protected from circumstances likely to cause distress once they were in her care. It was concluded that BC SPCA was justified and acted appropriately in removing the animals on the basis that they were in distress.

⁵ http://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/organizational-structure/boards-commissions-tribunals/bc-farm-industry-review-board/animal-custody/pcaa-appeal-decisions/2016_dec_02_simans_v_bcsPCA_decision.pdf

⁶ http://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/organizational-structure/boards-commissions-tribunals/bc-farm-industry-review-board/animal-custody/pcaa-appeal-decisions/2017_may_24_simans_v_bcsPCA_decision.pdf

- The veterinarian who attended the seizure of September 19, 2016 observed that many of the animals were emaciated, lacking in basic hygiene, infected with fleas and tapeworms, and suffering from dental, skin and apparent diseases. As a group, the animals were deprived of veterinary care, as well as adequate space and shelter.
- The BC SPCA officer found that Ms. Simans had not done enough to prevent the animals from suffering while in her care, noting that she had not adequately investigated why they were thin despite some of them being emaciated; did not follow the advice of veterinarians she consulted about certain animals; was not capable or willing to relieve the animals of the distress from which they had begun to be rehabilitated while in the BC SPCA's care; and it was found that she had failed to act in the best interests of the animals as a group.
- Of the 17 animals seized on March 20, 2017, the appeal was filed for only four animals to be returned which the removals were deemed to be valid and justified. It was concluded that they were all in distress, that their removal was appropriate and that they would likely and foreseeably return to situations of distress if they were returned.

CRA only administers tax law, and cannot enforce federal, provincial, or territorial animal cruelty laws, or municipal animal cruelty laws. Since the BC SPCA is responsible for enforcement of the province's PCAA, the information and the outcome of the decisions by the BCFIRB related to the seizures conducted by the BC SPCA were considered. As concluded in the decisions that the animals were in distress and were appropriately taken, it is CRA's position that the Organization has purposes or activities that are contrary to the law; failed to devote its resources to charitable activity; and has failed to provide a public benefit.

Accordingly, it is our position that the Organization has failed to meet the requirements of subsections 149.1(1) of the Act that it devote substantially all of its resources to charitable activities carried on by the Organization itself. For this reason it appears there may be grounds for revocation of the charitable status of the Organization under paragraph 168(1)(b) of the Act.

2. Failure to maintain adequate books and records of accounts

Pursuant to subsection 230(2) of the Act, every registered charity shall keep records and books of account at an address in Canada recorded with the Minister or designated by the Minister containing:

- Information in such form as will enable the Minister to determine whether there are any grounds for the revocation of its registration under the Act;
- A duplicate of each receipt containing prescribed information for a donation received by it; and
- Other information in such form as will enable the Minister to verify the donations to it for which a deduction or tax credit is available under the Act.

In addition, subsection 230(4) also states "Every person required by this section to keep records and books of account shall retain:

- a) the records and books of account referred to in this section in respect of which a period is prescribed, together with every account and voucher necessary to verify the information contained therein, for such a period as is prescribed;
- b) all other records and books of account referred to in this section, together with every account and voucher necessary to verify the information contained therein, until the expiration of six years from the end of the last taxation year to which the records and books of account relate.”

The policy of the CRA relating to the maintenance of books and records, and books of account, is based on several judicial determinations and the law, which have held that:

- i. it is the responsibility of the registered charity to prove that its charitable status should not be revoked;⁷
- ii. a registered charity must maintain, and make available to the CRA *at the time of an audit*, meaningful books and records, regardless of its size or resources. It is not sufficient to supply the required documentation and records subsequent thereto;⁸ and
- iii. the failure to maintain proper books, records, and records of account in accordance with the requirements of the Act is itself sufficient reason to revoke an organization's charitable status in the case of material or repeated non-compliance.⁹

Keeping adequate books and records is essential to the administration of a charity, allows the CRA to verify donations made to a charity and ensures proper use of charitable resources. The Organization's books and records must substantiate that it is devoting all of its resources to its own charitable activities, as per subsection 149.1(1) of the Act.

Audit Findings

a. Lack of internal controls

The Board of Directors are the stewards of the organization, and as such are responsible to direct the organization in accordance with all applicable laws as well as develop and maintain systems of internal control for accounting and financial reporting. The board is responsible for safeguarding the organization's charitable assets from undue risk of loss, detecting or preventing fraud, minimizing excessive administrative expenses and the risks of any misstatement in the financial reporting. It must ensure that sufficient internal controls exist for the maintenance of the accounting records; the selection and application of accounting policies and procedures; and the segregation of duties.

The Organization stated that the President, Ms. Sandra Simans was solely responsible for all aspects relating to the Organization's receipting and expense functions. This included:

- Access and control over the Organization's financial records and bank accounts
- Receiving and controlling funds

⁷ See *Canadian Committee for the Tel Aviv Foundation*, 2002 FCA 72 at paras 26-27, [2002] 2 CTC 93.

⁸ *Canadian Committee for the Tel Aviv Foundation*, 2002 FCA 72 at para 39, [2002] 2 CTC 93. Furthermore, failing to comply with the requirements of section 230 of the Act by refusing to make documents available can lead to a fine and imprisonment, in addition to the penalty otherwise provided. See subsection 238(1) of the Act.

⁹ See *Prescient Foundation v MNR*, 2013 FCA 120 at para 51, [2013] FCJ no 512.

- Issuing payments for expenses as incurred
- Preparation and issuance of Official Donation Receipts.

The Organization lacks sufficient internal controls and segregation of duties as further demonstrated by the inadequacy of the books and records as follows:

- The Organization could not confirm whether its records were complete. The Organization stated that some of its documents were either taken, destroyed or misplaced. It was unclear how the records were maintained and how the Organization's daily bookkeeping was conducted.
- There was no revenue or expense listing to determine or reconcile the amounts reported on the T3010 return. The invoices provided for review could not be reconciled and were not complete.
- The Organization did not maintain exact duplicates of all official donation receipts issued. Only one donation receipt was provided for review which did not match the total amount reported on the T3010 return.
- The Organization received donations through CanadaHelps. However, it could not be verified whether the Organization accounted or reported these amounts as records were not made available.
- The Organization indicated that on many occasions, its directors and close friends were asked to put forth personal funds to cover expenses, however the revenue reported on the T3010 return did not support this explanation. Expenses paid by directors and other individuals who did not receive reimbursements or a donation receipt, for which the Organization recorded the amount as an expenditure, is considered revenue and should be reported as such.

The Organization has not put in place checks and balances to detect errors or misappropriation thereby placing the Organization at risk. The segregation of duties was non-existent because the President, Ms. Sandra Simans handled and carried out all the operations of the Organization. There was no oversight over the control and the maintenance of the books and records as well as the issuance and the general supervision of donation receipting. The board may have neglected to meet its fiduciary duties in safeguarding the Organization's assets by not engaging in or providing adequate oversight over its activities.

b. Inadequate documentation

During the audit period, the following concerns were identified:

- The Organization could not confirm whether their records were complete, where their records were located and how the Organization's daily bookkeeping was conducted. The Organization provided explanations stating that due to the recent seizures by BC SPCA, it was incapable to provide or locate all its records for the audit period.
- Contracts and agreements to support the adoption program were not made available, thus the Organization was unable to substantiate all its resources were devoted to its own charitable activities.
- A listing of donors and official donation receipts issued did not exist. The one donation receipt provided could not be reconciled to the amount reported on the T3010 return.

- The Organization did not maintain exact duplicates of all official donation receipts issued.
- In reviewing the decision by the BCFIRB dated May 24, 2017, paragraph 56 states, "*Ms. Simans was asked about her record keeping and documentation for the care the animals received. Ms. Simans admitted she had not made a practice of doing this, although she stated she had commenced better record keeping since the March 20, 2017 seizure. No evidence of this record keeping was produced.*"
- The Organization indicated it does not possess any credit cards and did not use the bank account held [REDACTED]. However, a review of the invoices provided by the Organization demonstrates that several purchases were made by a debit card or credit card.
- The Organization has reported revenue from different sources such as gifts to the society, fundraisers, adoption fees, and gifts in kind. However, records were not provided to verify the accuracy of the amounts reported or support how the amounts were determined. Furthermore, the Organization boarded animals for a set fee but has not accounted for or reported these amounts.
- The Organization has reported expenses for travel and vehicle, bank and interest expense, office expense, and pet food and veterinary expense. However, the Organization did not provide a listing or summary of the expenditures.
- During the appeals review, the Organization had indicated that some of the animals seized did not belong to the Organization. Without adequate documentation, the CRA cannot accurately confirm or determine whether expenses reported are personal or for charitable purposes.

c. Issuing receipts not in accordance with the Act and/or its Regulations

Regulation 3501 of the Act identifies specific information that must appear on every donation receipt issued by a qualified donee, which includes a registered charity.

During the audit period, the Organization provided only one receipt for review in the amount of \$107.64 issued on May 11, 2015. Per requirements of Regulation 3501, the receipt did not contain a statement that it is an "*official receipt for income tax purposes*".

The Organization did not maintain a listing of tax receipts which has been issued during the audit period. Without adequate books and records, there is no assurance that all receipts which had been issued, had been correctly accounted for and reported.

d. Meeting minutes

Subsection 149.1(1) of the Act requires that registered charities devote their resources to their charitable activities. The board of directors have a duty to direct the organization to further the objects of the organization. The meeting minutes from the board of director meetings are key records that demonstrate the board's commitment, direction and work towards fulfilling the Organization's objects.

The audit revealed that the Organization did not maintain any meeting minutes because they were informal in nature. Without details or records of discussions about the activities of the

Organization, it is difficult to determine if the board was actively engaged with directing activities of the Organization and the appointment of the board of directors. Recording of the meeting minutes (whether formal or informal) helps demonstrate that the board is directing the programming and activities. Maintaining these records as part of the Organizations books and records, will enable the Minister to verify whether the Organization has been using its resources to administer its own charitable activities.

In absence of adequate books and records, the CRA cannot determine the accuracy or reliability of the information reported.

Under paragraph 168(1)(e) of the Act, the registration of a charity may be revoked if it fails to comply with or contravenes subsection 230(2) of the Act dealing with books and records. It is our position that the present case consists of material non-compliance.¹⁰ For this reason, it appears to us that there are grounds for revocation of the charitable status of the Organization under paragraph 168(1)(e) of the Act.

3. Failure to file on time and accurately complete the T3010 *Registered Charity Information Return*

Pursuant to subsection 149.1(14) of the Act, every registered charity must, within six months from the end of the charity's fiscal period (taxation year), without notice or demand, file a T3010 *Registered Charity Information Return* with the applicable schedules.

It is the Organization's responsibility to ensure that the information reported in its T3010 *Registered Charity Information Return*, schedules and statements are factual and complete. A charity is not meeting its requirement under the Act to file an information return if it fails to accurately report its activities and transactions.

A review of the Organization's past five returns filed shows it has not filed its returns on time as required. The Organization's fiscal year end is March 31, due September 30.

2017-03-31 Over due

2016-03-31 received 2017-01-19 (111 days overdue)

2015-03-31 received 2016-01-25 (117 days overdue)

2014-03-31 received 2015-01-26 (118 days overdue)

2013-03-31 received 2014-01-30 (122 days overdue)

For the period ended March 31, 2016, the following errors and omissions were noted:

- the Organization reported it issued a total of \$250 in tax receipts; however, a listing of receipts issued to confirm this amount was not provided
- Line 4950 *Total expenditures* \$6,636 did not total lines 4860 \$0; 4810 \$1,435; and 4920 \$0. The Organization reported on Line 5100 *Total expenditures* of \$8,071; therefore, the Organization incorrectly reported \$6,636 on line 4950 instead of Line 4920 *All other expenditures*.

¹⁰ The failure to maintain proper books, records, and records of account in accordance with the requirements of the Act is itself sufficient reason to revoke an organization's charitable status in the case of material or repeated non-compliance. See *Prescient Foundation v MNR*, 2013 FCA 120 at para 51, [2013] FCJ no 512.

- The Organization reported gifts in kind (GIK) sold under the revenue section. However, schedule 5 was not completed to report details of the GIK donated to the Organization during the period.

The public and donors rely on the information reported on the T3010 return in understanding an organization's operation; therefore, the information reported on the T3010 must be complete and accurately reports the activity for the period.

Under subsection 168(1)(c) of the Act, the registration of a charity may be revoked if it fails to file a charity information return when required under the Act. It is our position the Organization has failed to comply with the Act by failing to file an accurate T3010 and on time. For these reasons, there may be grounds to revoke the registered status of the Organization under paragraph 168(1)(c) of the Act.

The Organization's options:

a) No response

The Organization may choose not to respond. In that case, the Director General of the Charities Directorate may issue a notice of intention to revoke the registration of the Organization in the manner described in subsection 168(1) of the Act.

b) Response

If the Organization chooses to respond, send written representations and any additional information regarding the findings outlined above **within 30 days** from the date of this letter to the address below. After considering the response, the Director General of the Charities Directorate will decide on the appropriate course of action.

The possible actions include:

- no compliance action;
- issuing an educational letter;
- resolving the issues through a Compliance Agreement;
- applying penalties or suspensions or both, as described in sections 188.1 and 188.2 of the Act; or
- issuing a notice of intention to revoke the registration of the Organization in the manner described in subsection 168(1) of the Act.

If the Organization appoints a third party to represent it in this matter, send us a written request with the individual's name, the individual's contact information, and explicit authorization that the individual can discuss the file with us.

- 12 -

If you have any questions or require further information or clarification, please do not hesitate to contact me at 250-363-8670. My team leader, Sherri Davis, may also be reached at 250-363-3128.

Sincerely,



Thuy Le, CPA, CGA
Audit Division
Vancouver Island Tax Services Office

Cc. Douglas Hunter
Richard Williams



Telephone: (250) 363-8670
Fax: (250) 363-3000
Vancouver Island Tax Services
1415 Vancouver Street
Victoria BC

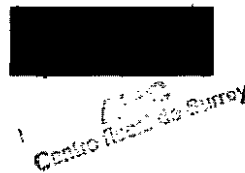
Mailing Address:
Vancouver Island Tax Services Office
c/o 9755 King George Boulevard
Surrey BC V3T 5E1

Internet : www.cra-arc.gc.ca

Services fiscaux de l'Île de Vancouver
1415, rue Vancouver
Victoria, C-B

L'adresse postale :
Services fiscaux de l'Île de Vancouver,
A/S 9755 Aut. King George
Surrey, C-B V3T 5E1

Thuy Le
Audit Division
Vancouver Island Tax Services
9755 King George Boulevard
Surrey, B.C. V3T 5E1



Canada Revenu	Agence du revenu du Canada
MR. #1 Vancouver Island Tax Services	Service-fiscal de l'île de Vancouver

Attention Ms. Le;

I have sent you what we have in the way of receipts etc. As indicated in previous conversations, the actions of the BC SPCA resulted in the loss and damage of a portion of our paperwork.

I have also included some additional pages for you to review. As you have referred to the BC SPCA in your communications and seem to have put great importance on their comments regarding our rescue, I feel compelled to share some basic information.

While we recognize that the BC SPCA currently has the contract to enforce the PCA Act, we believe that this does not mean that they are above reproach themselves. I sued the BC SPCA for their conduct in 2012 and they were found to be guilty of defamation. Since that time, the BC SPCA has had what can only be called, "a hate on" for myself. This has resulted in their overstepping their boundaries and sadly getting away with it due to their title. This had been disturbing to us because it has far reaching affects on a group such as ours working hard to make a difference in our community and assist animals in need.

As you review the paperwork, you will see some documents from our veterinarians that indicate that the animals that we removed from our premises, in fact were healthy and had seen the vet.

The current system in place is flawed, giving the BC SPCA "Carte Blanch", and the body in place to review their conduct, "The BC Farm Industry Review Board" does not provide for any individuals with a background in veterinary medicine or animal care, so they are left to choose between the BC SPCA and their flashy presentations, and a defendant and their veterinary info. Just as you have given great weight on the words of the BC SPCA, so does the B.C. Farm Industry Review Board, leaving many defendants feeling violated and misunderstood.

It is our hope you will review this paperwork with an open mind.

We are hard working, and as we have indicated, put in a lot of our own resources to provide for the animals in need. While the paperwork may not be to the standard you require, it has been in past years. We ask for your grace and for you to educate

as apposed to legislate. We will take your suggestions and instruction seriously and follow the correct protocol moving forward.

Best regards

Sandra Simans

1atatime Rescue Society

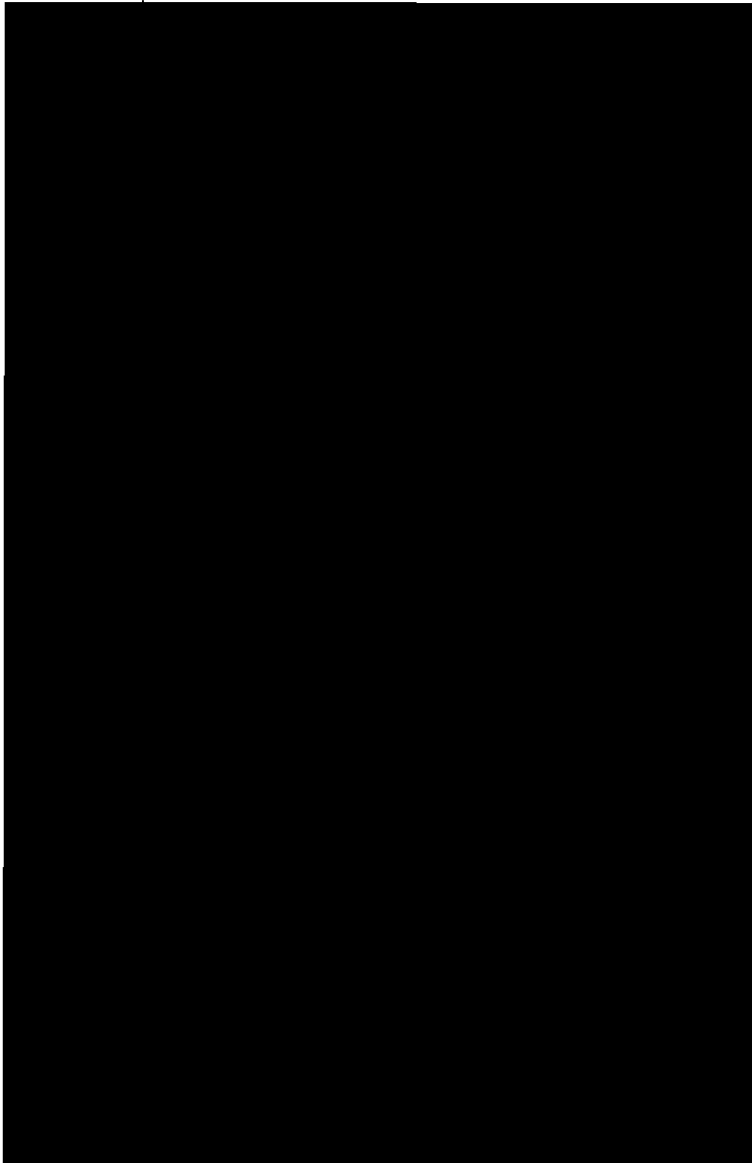
Please return the receipt when you complete review. Thank you.

1ATATIME RESCUE SOCIETY
2919 EAST GEORGIA STREET
VANCOUVER
BC V5K 2K5

DAILY BANKING
ACCOUNT SUMMARY

OPENING BALANCE ON 01 MAY 2014	TOTAL WITHDRAWALS	TOTAL DEPOSITS	CLOSING BALANCE ON 31 MAY 2014
1.24	299.80	301.13	2.57

WITHDRAWALS	DEPOSITS	BALANCE
		1.24
	50.00	51.24
40.00		11.24
5.81		5.63
1.05		4.58
3.99		0.59
	26.13	26.72
15.74		10.98
5.79		5.19
4.20		0.99
	120.00	120.99
11.74		109.25
2.93		106.32
11.22		95.10
9.99		85.11
5.47		79.64



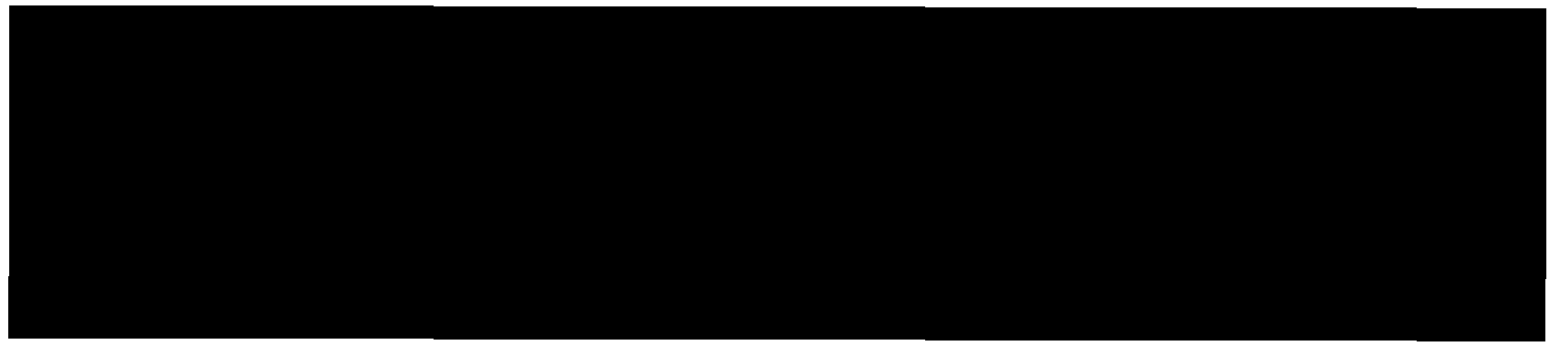
WITHDRAWALS	DEPOSITS	BALANCE
10.92		68.72
8.40		60.32
7.10		53.22
11.20		42.02
3.07		38.95
18.34		20.61
4.51		16.10
9.99		6.11
5.00		1.11
	5.00	6.11
4.65		1.46
	100.00	101.46
5.17		96.29
16.45		79.84
7.95		71.89
14.51		57.38
5.19		52.19
1.05		51.14
6.10		45.04
38.50		6.54
3.97		2.57

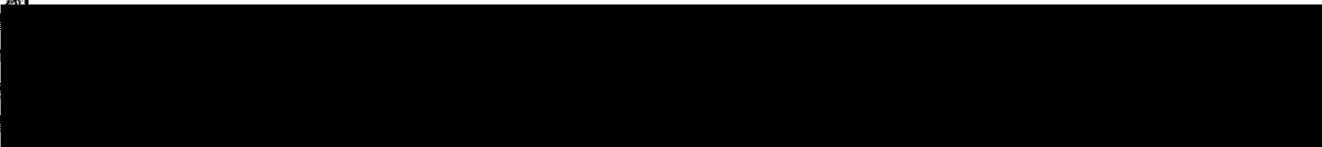
WITHDRAWALS	DEPOSITS	BALANCE
		5.40

OPENING BALANCE

Note: Shares are not insured by the Credit Union Deposit Insurance Corporation.

Please review your statement and report any errors or omissions to us within 30 days of the statement date. If we don't hear from you within 30 days, this statement will be considered correct.





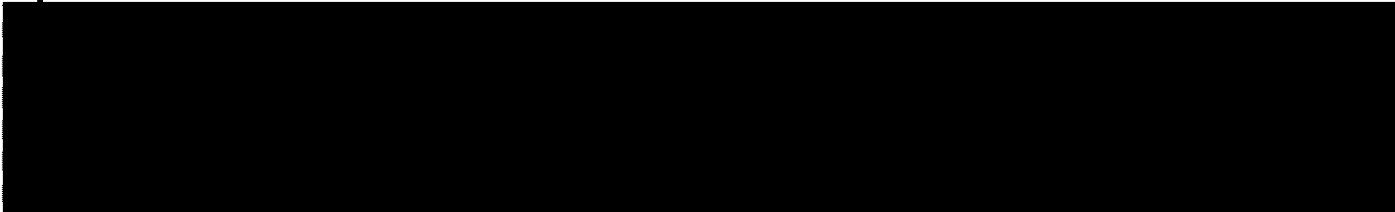
WITHDRAWALS DEPOSITS BALANCE

OPENING BALANCE

5.50

Note: Shares are not insured by the Credit Union Deposit Insurance Corporation.

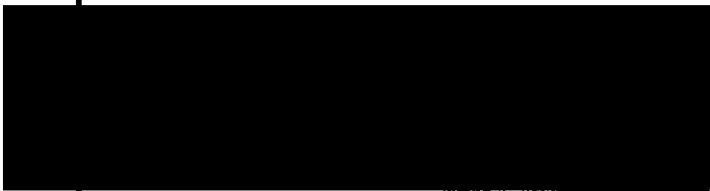
Please review your statement and report any errors or omissions to us within 30 days of the statement date. If we don't hear from you within 30 days, this statement will be considered correct.



1ATATIME RESCUE SOCIETY
2919 EAST GEORGIA STREET
VANCOUVER
BC V5K 2K5

OPENING BALANCE ON 01 SEP 2014	TOTAL WITHDRAWALS	TOTAL DEPOSITS	CLOSING BALANCE ON 30 SEP 2014
0.80	115.92	118.00	2.88

WITHDRAWALS	DEPOSITS	BALANCE
		0.80
	40.00	40.80
15.00		25.80
9.82		15.98
6.64		9.34
8.70		0.64
	25.00	25.64
20.78		4.86
1.98		2.88
	53.00	55.88
53.00		2.88



WITHDRAWALS	DEPOSITS	BALANCE
-------------	----------	---------

		5.40
--	--	------

Note: Shares are not insured by the Credit Union Deposit Insurance Corporation.

Please review your statement and report any errors or omissions to us within 30 days of the statement date. If we don't hear from you within 30 days, this statement will be considered correct.



Contains 100% Post-Consumer Fibre



[REDACTED]

1ATATIME RESCUE SOCIETY
2919 EAST GEORGIA STREET
VANCOUVER
BC V5K 2K5

[REDACTED]



OPENING BALANCE ON 01 OCT 2014	TOTAL WITHDRAWALS	TOTAL DEPOSITS	CLOSING BALANCE ON 31 OCT 2014
2.88	0.00	0.00	2.88
			BALANCE
			2.88
			BALANCE
			5.40

Note: Shares are not insured by the Credit Union Deposit Insurance Corporation.

Please review your statement and report any errors or omissions to us within 30 days of the statement date. If we don't hear from you within 30 days, this statement will be considered correct.

1ATATIME RESCUE SOCIETY
2919 EAST GEORGIA STREET
VANCOUVER
BC V5K 2K5

DAILY BANKING

OPENING BALANCE ON 01 DEC 2015	TOTAL WITHDRAWALS	TOTAL DEPOSITS	CLOSING BALANCE ON 31 DEC 2015
354.06	733.23	380.00	0.83

WITHDRAWALS	DEPOSITS	BALANCE
		354.06
350.00		4.06
	50.00	54.06
18.96		35.10
23.20		11.90
10.00		1.90
	20.00	21.90
8.99		12.91
6.62		6.29
	40.00	46.29
39.15		7.14

(CONT.)

DATE	DESCRIPTION	WITHDRAWALS	DEPOSITS	BALANCE
			120.00	127.14
		3.82		123.32
		6.00		117.32
		61.36		55.96
		25.00		30.96
		25.00		5.96
			40.00	45.96
		14.98		30.98
		6.60		24.38
		3.88		20.50
			20.00	40.50
		15.00		25.50
		2.00		23.50
		1.44		22.06
			50.00	72.06
		36.87		35.19
		3.93		31.26
		6.61		24.65
			40.00	64.65
		31.35		33.30
		15.59		17.71
		16.88		0.83

DATE	DESCRIPTION	WITHDRAWALS	DEPOSITS	BALANCE
				5.80

Note: Shares are not insured by the Credit Union Deposit Insurance Corporation.

Please review your statement and report any errors or omissions to us within 30 days of the statement date. If we don't hear from you within 30 days, this statement will be considered correct.

FOR: Sandy Simans
2919 East Georgia street
Vancouver, BC V5K2K5

Printed: 02-22-18 at 11:38p
Date: 10-05-14

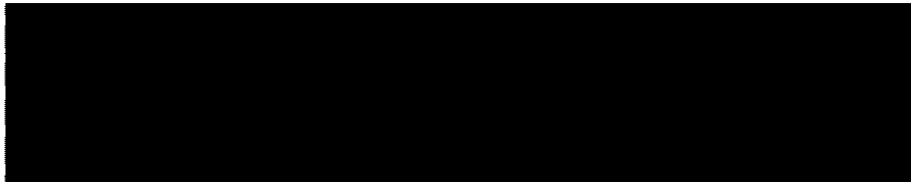
Date	For	Qty	Description	Price	Discount	Price
10-05-14	Fozzie	1	Cefazolin injection (Small)*			29.50
10-05-14		21	Apo - Cephalexin 250 mg*			27.45
10-05-14		1	Catheterization, Urinary*			54.50
10-05-14		1	DR. NOTES*			0.00
10-05-14		1	Prescription Writing Fee*			16.60
10-05-14		1	Phenobarbital injection*			29.50
10-05-14		8	Inj Diazepam 5mg/mL #155*			19.50
10-04-14		1	Blood Collection*			29.80
10-04-14		1	CBC*			87.89
10-04-14		1	Chemistry Screen*			116.40
10-05-14		1	IV Fluids Bundle*			0.00
	Items used...	1	IV Extension Set 32" 2 sites			
		1	Sodium Chloride 0.9% 500 ml			
		1	Lactated Ringer Solution 500ml			
		1	IV Set Angel 10 Drops/ml 103" 2 ports			
		1	IV Set Angel 60drops/ml 103" 2 ports			
10-05-14		1	Catheter Placement*			52.00
10-05-14		1	IV set up , ext. set, PRN*			68.20
10-05-14		1	1000ml NaCl/Plasma-Lyte/LRS/Nor*			38.50
10-05-14		1	Pump use/Maintenance*			33.20
10-05-14		1	ICU 1 (fluids/monitoring)*			95.00
10-05-14		3	Diazepam Injection (Large)*			106.50
10-05-14		2.50	Phenobarbital Inj (120 mg/ml)*			55.15
10-05-14		1	Hospitalization half day (up to 12 hr*			109.80
Services by						
10-04-14		1	Emergency Fee*			75.00
10-04-14		1	Consultation*			65.00
Total charges, this invoice...						1109.49
G.S.T....						*55.47
P.S.T....						*0.00
Total, this invoice...						1164.96

Your old balance...	-700.00
Total payment(s) received...	464.96
10-05-14 Visa payment	464.96
Your new balance...	0.00

Patient	Total charges
Fozzie	1109.49

Fozzie's weight history (in kg)

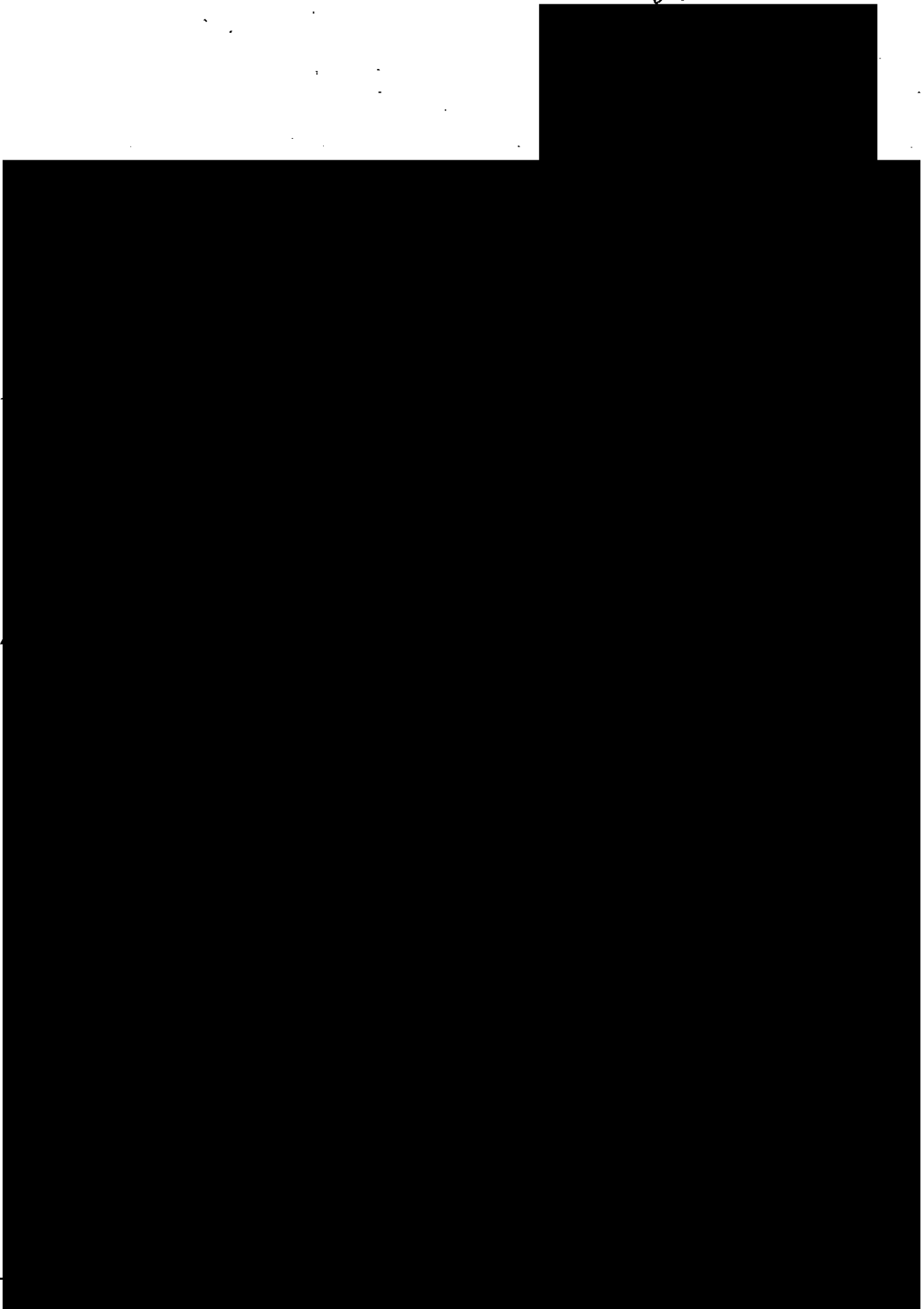
10-04-14	17.00
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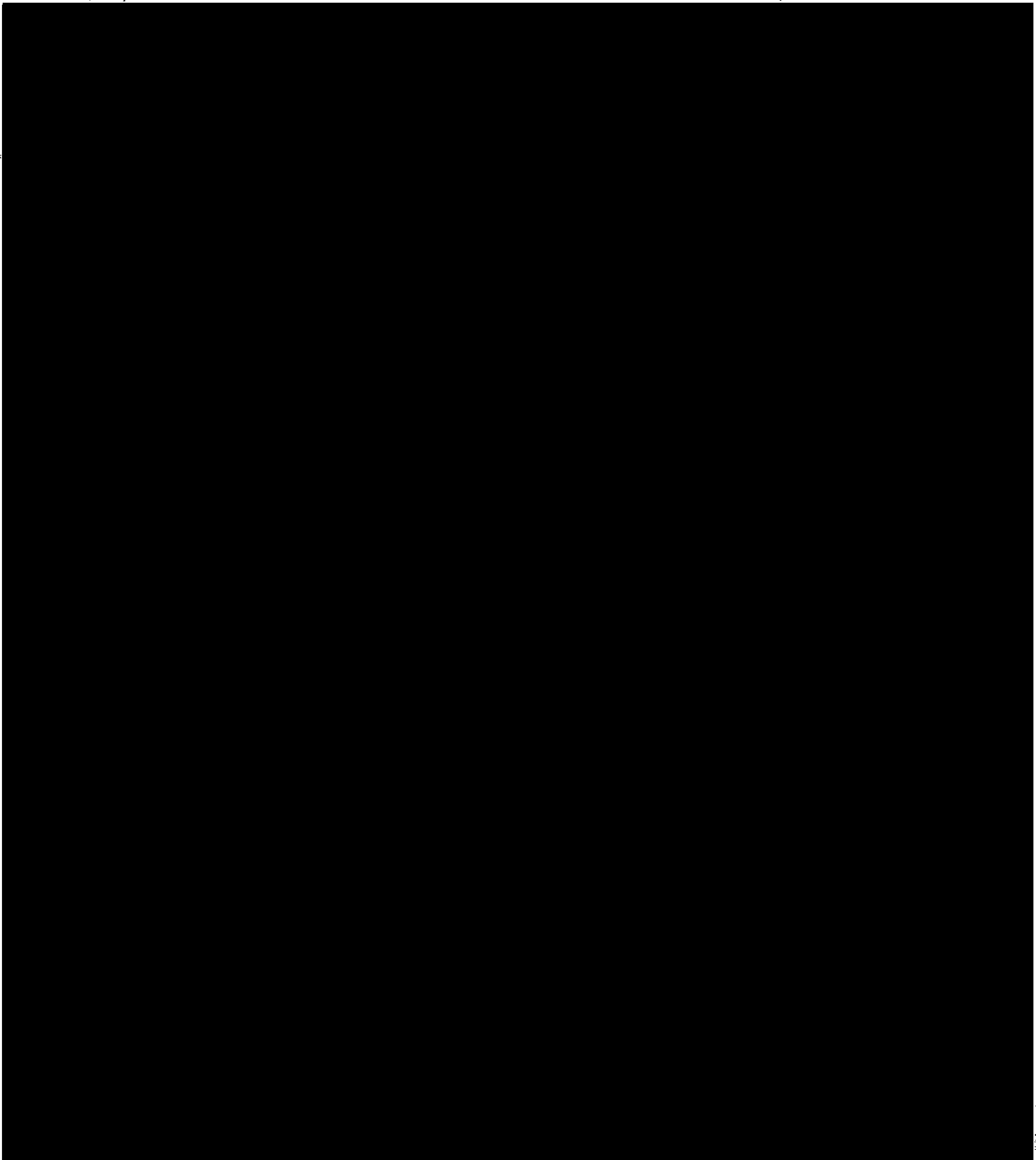


+

EXHIBIT
12

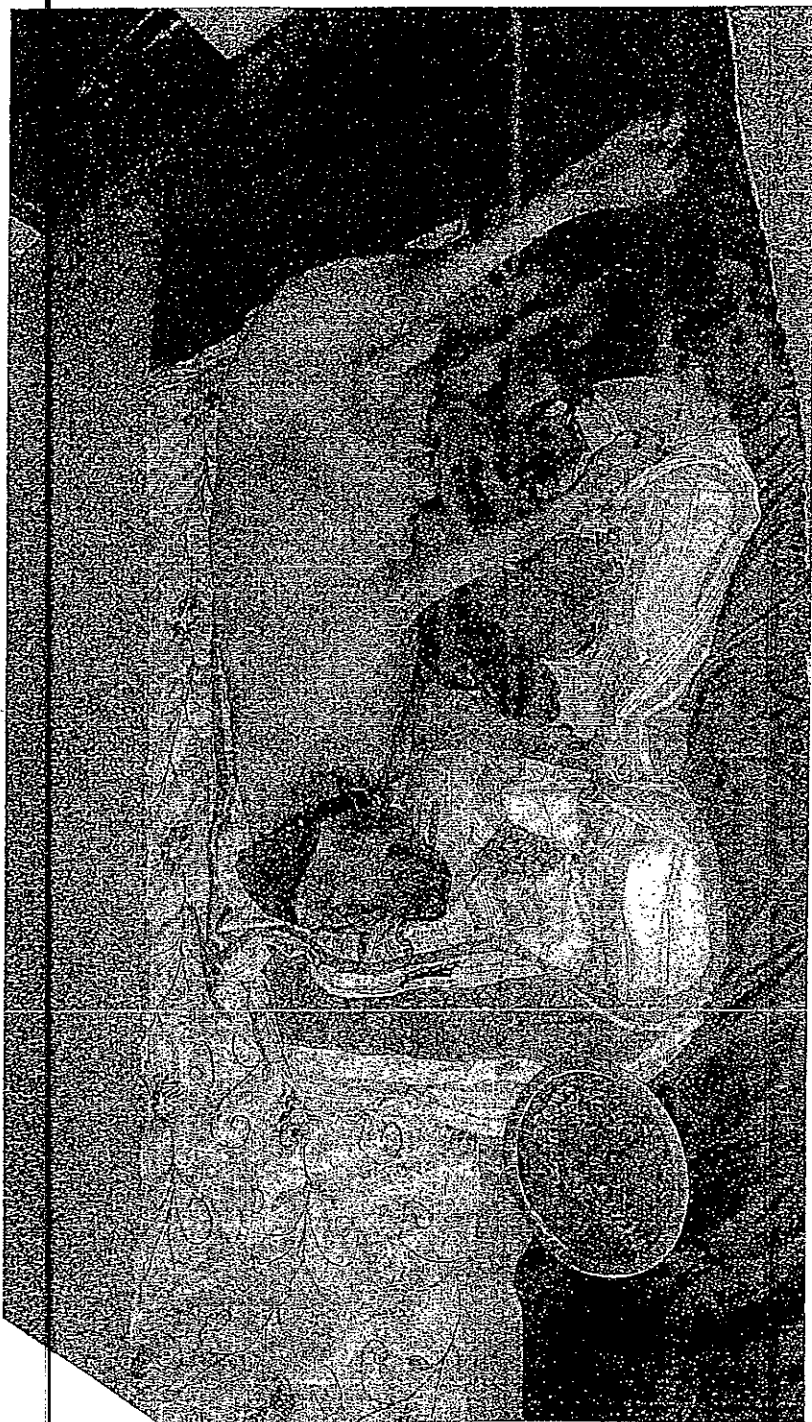
#29





7.1.10

103



18



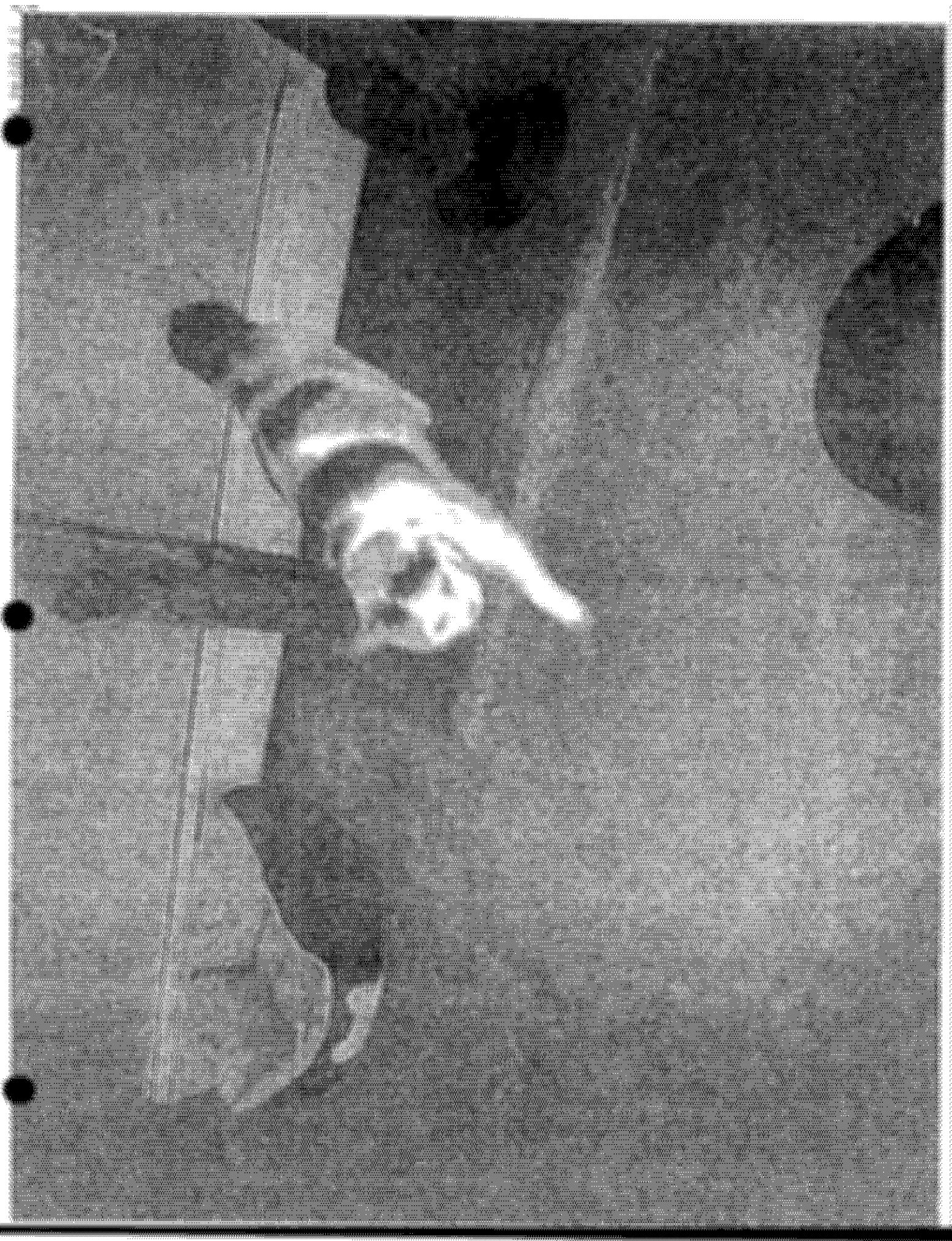




EXHIBIT 2

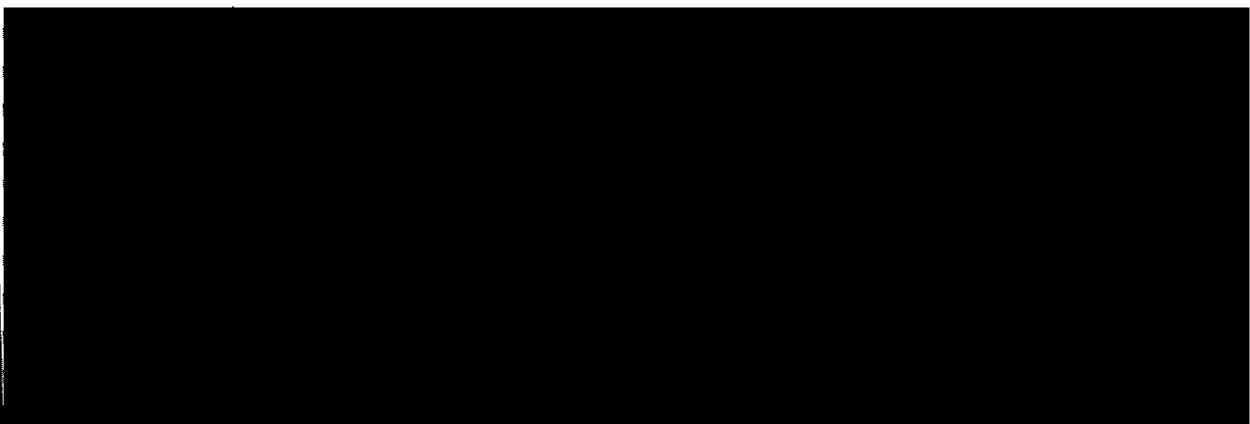
Client Name: SandySpecies: kgSex: MI MN / FI / FS Date of Birth (MM/dd/yy) 2y 1/2Pet Name: HadleyBreed: GreyhoundCoat Colour: Brindle

Date:

Treatment

2/19/17	Exam
76.2 Re	PE QAR TPR-N
	- MM color Pink
101.2° F	- CRT 2 sec
	- HAL MAF
	- LW - WNL
	- E/d - N
	- Ears/Eye - N
	- Skin - mild dandruff, flake on dorsal lumbar area
	- No Flea Seen.
	- advised omega 3 fatty acids
	- advised Proseal Shampoo once a week
	- Area of Alopecia on dorsal/caudal thigh
	- Some Redness/Alopecia on cranial aspect of metatarsal, according to owner scraped while running in snow, now getting better
	Oral cavity - Teeth/gums look's okay
	- mild tartar on pmx & m
	RR - 24
	HR - 82 bpm
	Temp - 101.2° F
	Hadley is a healthy dog, no concern health wise

10 24/5



PATIENT INFORMATION

Name	Rhea (Record - 4781)	Species	Canine
Sex	Female	Breed	Rhodesian Ridgeback
Birthday	4/26/15	Age	23m
ID		Rabies	
Color	Red	Weight	86.60 lbs
Reminded	(none)	Codes	
Added	3/22/17		

(No reminders are due for this patient.)

Rhea's weight history (in lbs)

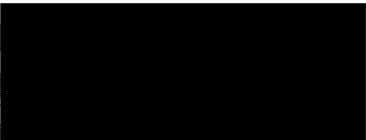
3/22/17	86.60
3/22/17	86.60

MEDICAL HISTORY

Date	Time	By	Code	Description	Qty (Variance)	Photo
3/22/17	3:10p	█	COMM	Client Communication	1	
<p>ST: 3/22/17 at 1:10p: █ called - says that there is a bit of a complicated situation but basically there is a lady who was watching Rhea and the puppies while Jessica couldn't and apparently there is an SPCA case with her now but she wanted to tell us that her dog was not treated badly but someone thought the lady (who has her own rescue) was treating the animals badly. Owner says a woman named Sandra will call from the SPCA and she will request records and Jessica wants to give authorization to release records to her.</p> <p>CM: 3/22/17 at 1:21p: Sandra called and █ spoke with her on the phone. █</p> <p>ST: 3/22/17 at 1:32p: Talked to Sandra and I was under impression she is SPCA officer so gave her info on dog but advised her to send me a written request and I'll send records after that.</p> <p>CM: 3/22/17 at 2:22p: I called Sandra back asking her for SPCA work email and she said she was not with the SPCA, I told her I was confused as I thought this was an SPCA cruelty case. Told her I would talk to the Dr and let her know if we could send the records.</p> <p>ST: 3/22/17 at 2:27p: Called █ let her know that "Sandra" does not work for the SPCA, she said she knows and this is the lady that looks after her dogs. She sent us email auth saying she okays it</p>						
	11:31a		233	Exam/Consultation	1	
<p>Doctor's Instructions - Re-check or call us if any concern whatsoever or if patient doesn't get better.</p> <p>Client Instructions - Re-check if any concern or no improvement.</p>						

1/3

28/12



Patient Chart for Rhea
Date: 3/22/17, Time: 4:17p

Client: [REDACTED] Page: 2

Date	Time	By	Code	Description	Qty (Variance)	Photo
Age: 23m Weight: 86.60 Temp: 100.20 Respiration: 24.00 Pulse: 135.00						
CRT: 2 secs. BCS: 3.00 / 5.00						

SUBJECTIVE SECTION

Exam, hair loss on spine, 10 pups, currently on Clayaseptin (silver foil with white tablets as per owner), had puppies Feb 17th 2017

OBJECTIVE SECTION

BAR, mm-pink, all vitals wnl, e/d ok; no v/d/c/s

Physical Exam

Eyes, Ears, Nose, Throat

eyes normal, ears routine cleaning for future recommended, muzzle dry some scabs,

Integument

dry skin, loss of fur/ alopecia on dorsal spine, no bleeding/ swelling, non painful on detail palpation, no bruising.

Musculoskeletal

normal gait

Digestive

may need dental in future, grade 1 dental tartar

Genital

Vulva enlarged, mammary glands enlarged, no bleeding from any teat, non-painful, no fever, mammary glands have scratched from puppies nails, doesn't look infected at the moment, no indication of mastitis at the time, puppies can latch normally.

Normal Systems: Cardiovascular, Respiratory, Urinary, Neurologic, Lymphatic, Other, General

ASSESSMENT SECTION

NOTES

Normal healthy patient, changes in skin partly due to lactation stress or nutritional, patient not emaciated.

PLAN SECTION

NOTES

Recommended spay in 4-6 weeks, blood panel (FOR GENERAL HEALTH ASSESSMENT) and histo(FOR SKIN PROBLEM) advised - Owner DECLINED, PAMPHLETS FOR PARASITE CONTROL AND VACCINES PROVIDED TO OWNER.

Clearly told owner that since patient is lactating there are not many drugs which we can give. OWNER UNDERSTOOD EVERYTHING. DEVELOPMENT FOOD RECOMMENDED FOR MOTHER.

2/3

261/3

Patient Chart for Rhea
Date: 3/22/17, Time: 4:17p

Client: [REDACTED]

Page: 3

Date	Time	By	Code	Description	Qty (Variance)	Photo
3/22/17	11:04a	[REDACTED]	APPTS	Appointment notes for 3/22/17	1	
	11:03a		CHECKIN	Patient check-in	1	
				poss skin infection		

Age: 23m Weight: 86.60

SUBJECTIVE SECTION

poss skin infection, just had 10 pups on feb 17th 2017

3/3

Business Number: [REDACTED]

Oct 11, 2014

Invoice Number
[REDACTED]

Fozzie (# D)

Species: Canine

Sex: Male Neutered

Age: 8 years old

Breed: Schnauzer X

Coat Color: Grey & White & Black

Weight: 17.64 kg.

Rabies Tag Number:

3 DAPPV:

Blood Work:

Bordetella:

Corona:

DAPPV:

DAPPV:

Date	Code	Description	Qty	Price
10-11-2014	4	Office Visit Recheck	1	\$ 29.40 ^{tax}
	304	Catheterization, Male	1	\$ 22.17 ^{tax}
	2420950	CL. Cath: Urinary Polypropylene 5fr ea.	6	\$ 2.46 ^{tax}
	2054187	Phenoxybenzamine 5mg Cap (Summit)	14	\$ 22.50 ^{tax}

Total for Fozzie: \$ 76.53

Total Products: \$ 76.53

G.S.T: \$ 3.83

Total Invoice: \$ 80.36

VISA Card \$ 80.36

Total Payments - Thank you: \$ 80.36

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

INVOICE

FOR: Sandra Simans

Printed: 02-19-15 at 13:37

Date: 10-04-14

Account:

Invoice:

Date	For	Qty	Description	Net Price
10-04-14	Fozzie	1	Consult - ER*	65.00
10-04-14		1	Diazepam 5mg/ml*	18.70
10-04-14		1	Emergency Fee-N/C-Direct Trans*	0.00
10-04-14			Visa payment	-87.88
Old balance				New balance
357.16				357.16
Charges				
83.70				
GST				
*4.18				
PST				
0.00				
Payments				
87.88				

Visit us on the web:

WELCOME

Bronze
PUMP No. 05
LITRES 8.170
PRICE/L \$1.224
TOTAL FUEL \$10.00

FUEL INCLUDES
GST - Fuel \$0.48
No.

2014/10/20 14:46:14

YOUR OPINION COUNTS
Tell us about your
recent visit at

THANK YOU
Questions?

21-GROCERY

06038365101 RICE LNG GRN 5 b.
06038370119 PC XMT: CHKN, RIG 5PR 27.50

SUBTOTAL 36.48

G=GST 5% 27.99 @ 5.000% 1.49
P=GST 7% 27.99 @ 7.1% 2.00

CASH 40.00
ROUND 0.01 (39.85)
CHANGE DUE 0.15

GST

2014-07-13 00:45

PUMP 07
PREPAID GAS SALE
REGULAR
LITRES L 8.397
PRICE/L \$ 1.429
FUEL SALES \$ 12.00*

TOTAL OWED \$ 12.00

CASH TENDERED
\$ 12.00

* GST INCL. \$ 0.57
APPROVED
THANK YOU

-- IMPORTANT --
RETAIN THIS COPY
FOR YOUR RECORDS

INTERNAL PREPAID
Ticket #
Pump# 8
18.721L @ \$ 1.399/L
REG/Self \$ 15.00
Total \$ 15.00
GST Note:
FUEL \$ 8.71
NON FUEL \$ 8.00
TOTAL \$ 8.71

07/30/14 21:23:41

WELCOME

WELCOME

Bronze
PUMP No. 05
LITRES 7.412
PRICE/L \$1.349
TOTAL FUEL \$10.00

FUEL INCLUDES
GST - Fuel \$0.48
No.

Bronze
PUMP No. 06
LITRES 16.475
PRICE/L \$1.214
TOTAL FUEL \$20.00
00 APPROVED - THANK
YOU
APPROVAL NO.
CHEQUING
PINPAD No. 33800NU0
VERIFIED BY PIN

IMPORTANT
retain this copy for
your records

FUEL INCLUDES
GST - Fuel \$0.95
No.
TOTAL SALE \$20.00

2014/10/29 16:02:30

YOUR OPINION COUNTS
Tell us about your
recent visit at

THANK YOU
Questions?

YOUR OPINION COUNTS
Tell us about your
recent visit at

THANK YOU
Questions?

Interac

\$24.65

TYPE: PURCHASE

ACCOUNT: INTERAC CHEQUING

\$24.65

Customer Copy

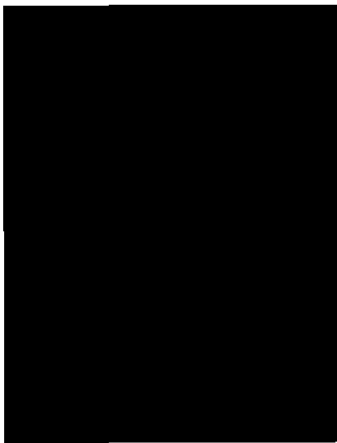
599 points!

THANK YOU
DRIVE SAFELY

PUMP 7
REGULAR
6.98L AT \$1.432
SALE \$ 10.00
GST INCLUDED \$ 0.48
CASH \$ 10.00

STORE #
TERM ID
MERCH #
TRANS #
GST #:

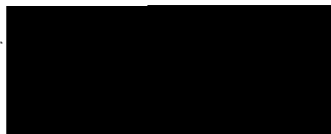
2014-04-03 20:48:03



PUMPH 2
EREG 8.237L
PRICE/L 1.214
FUEL TOTAL \$ 10.00

FINAL PURCHASE
AMOUNT RECEIPT WITH
FULL TRANSACTION
DETAIL AVAILABLE
INSIDE

WELCOME



Bronze
PUMP No. 05
LITRES 3.475
PRICE/L \$1.439
TOTAL FUEL \$5.00

FUEL INCLUDES
GST - Fuel \$0.24
No. [REDACTED]

STORE: [REDACTED]
TRAN: [REDACTED]
2014/07/19 06:34:47

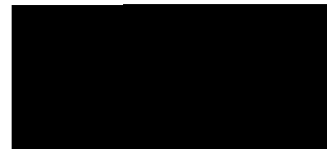
YOUR OPINION COUNTS
Tell us about your
recent visit at



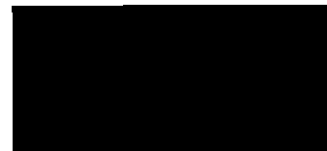
THANK YOU
Questions?



WELCOME



INTERAC
PURCHASE C



Bronze
PUMP No. 04
LITRES 10.382
PRICE/L \$1.445
TOTAL FUEL \$15.00
00 APPROVED - THANK
YOU 001
APPROVAL No. [REDACTED]
CHEVING

IMPORTANT
retain this copy for
your records

FUEL INCLUDES
GST - Fuel \$0.71
No. [REDACTED]

TOTAL SALE \$15.00



YOUR OPINION COUNTS
Tell us about your
recent visit at



THANK YOU
Questions?



4: (4) 79

Business Number: [REDACTED]

Jun 19, 2015

Invoice Number [REDACTED]

Pig (#

E)

Species: Pigs

Sex: Male

Age:

Breed: Pot Belly

Coat Color: (None)

Rabies Tag Number:

Date	Code	Description	Qty	Price
06/19/2015	14410	Syringe 35cc	1	\$ 1.72 ^{tax}
Total for Pig:				\$ 1.72
Total Products:				\$ 1.72
G.S.T:				\$ 0.09
Total Invoice:				\$ 1.81
Cash				\$ 20.00
Total Payments - Thank you:				\$ 20.00
Change Dispensed:				\$ 18.19

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

40 80
(S)

Business Number

Jul 01, 2015

Invoice Number

Date	Code	Description	Qty	Price
07/01/2015	2611204	MCRC FE URINARY 165 GM	3	\$ 6.27

Total for: \$ 6.27

Total Products: \$ 6.27

G.S.T: \$ 0.31

Total Invoice: \$ 6.58

Cash \$ 10.00

Total Payments - Thank you: \$ 10.00

Change Dispensed: \$ 3.42

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

40 (6) 81

Business Number: [REDACTED]

Nov 21, 2015

Invoice Number [REDACTED]

Goat (# B)

Species: Goats
Sex: Male

Age:

Breed: (None)

Coat Color: (None)

Rabies Tag Number:

Blood Work:

Bordetella:

Corona:

Dental:

DHL-PP:

Program Injection:

Date	Code	Description	Qty	Price
11/21/2015	2212230	Lactated Ringer's 1000 ml.	1	\$ 7.68 ^{ea}
	15500	Needle 20g x 1" ea.	2	\$ 0.50 ^{ea}
	8792	PR.DIET K9 K/D 370G	4	\$ 13.84 ^{ea}

Total for Goat: \$ 22.02

Total Products: \$ 22.02

G.S.T. \$ 1.10

Total Invoice: \$ 23.12

Debit Card \$ 23.12

Total Payments - Thank you: \$ 23.12

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

4: (7) 8.

Business Number: [REDACTED]

Nov 23, 2015

Invoice Number
[REDACTED]

Dog (# F)

Species: Canine

Sex:

Age:

Breed: (None)

Coat Color: (None)

Rabies Tag Number:

3 DAPPV:

Blood Work:

Bordetella:

Corona:

DAPPV:

DAPPV:

Date	Code	Description	Qty	Price
11/23/2015	8792	PR.DIET K9 K/D 370G	21	\$ 6.92
Total for Dog:				\$ 6.92
Total Products:				\$ 6.92
G.S.T.:				\$ 0.35
Total Invoice:				\$ 7.27
Cash:				\$ 20.00
Total Payments - Thank you:				\$ 20.00
Change Dispensed:				\$ 12.72

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

4⁰ / 5 90

Business Number: [REDACTED]

Dec 27, 2015

Invoice Number [REDACTED]

Dog (#

F)

Species: Canine

Sex:

Age:

Breed: (None)

Coat Color: (None)

Rabies Tag Number:

3 DAPPV:

Blood Work:

Bordetella:

Cornua:

DAPPV:

DAPPV:

Date	Code	Description	Qty	Price
12/27/2015	6700480	MCRC FE/K9 RECOVERY 165 GM	4	\$ 12.36
	15500	Needle 20g x 1" ea.	1	\$ 0.25

Total for Dog: \$ 12.61

Total Products: \$ 12.61

G.S.T: \$ 0.63

Total Invoice: \$ 13.24

Cash \$ 20.25

Total Payments - Thank you: \$ 20.25

Change Dispensed: \$ 7.01

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

48 16 91

Business Number: [REDACTED]

Sep 13, 2015

Invoice Number
[REDACTED]

Fozzie (# D)

Date	Code	Description	Qty	Price
09/13/2015	8773	PR.DIET K9 D/D POTATOE+SALMON 370G	1	\$ 3.45
	8845	MCRC K-9 ADULT 396 GM	1	\$ 2.98

Total for Fozzie: \$ 6.44

Total Products: \$ 6.44

G.S.T: \$ 0.32

Total Invoice: \$ 6.76

Cash \$ 50.00

Total Payments - Thank you: \$ 50.00

Change Dispensed: \$ 43.24

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances

4: 9473



Business Number: [Redacted]

Nov 07, 2015

Invoice Number [Redacted]

Dog (#	F)	Species: Canine	Sex:	3 DAPPV:
	Age:			Blood Work :
	Breed: (None)			Bordetella:
	Coat Color: (None)			Corona:
	Weight: 0 kg.			DAPPV:
	Rabies Tag Number:			DAPPV:

Date	Code	Description	Qty	Price
11-07-2015	2580271	Drontal Plus - 68mg ea. (>11.8kg)	1.5	\$ 17.30 ^{+tx}
	6701444	MCRC K-9 HYPO HP 390g cans	1.0	\$ 3.79 ^{+tx}
	9016	MCRC K-9 HYPOALLERGENIC 396 GM	1.0	\$ 3.68 ^{+tx}
	1410650	Dermazole Shampoo 237ml	1.0	\$ 18.98 ^{+tx}

Total for Dog: \$ 43.75

Total Products: \$ 43.75

G.S.T: \$ 2.19

Total Invoice: \$ 45.94

Debit Card \$ 45.94

Total Payments - Thank you: \$ 45.94

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

Business Number: [REDACTED]

Nov 10, 2015

Invoice Number [REDACTED]

Dog (# F)

Species: Canine

Sex:

Age:

Breed: (None)

Coat Color: (None)

Rabies Tag Number:

5 DAPPV

Blood Work:

Bordetella:

Culture:

D. APPV:

DAPPV:

Date	Code	Description	Qty	Price
11/10/2015	2212230	Lactated Ringer's 1000 mL	1	\$ 7.68
	15500	Needle 20g x 1" ea.	3	\$ 0.75
	8759	PR.DIET CANINE/FELINE A/D 156GM	2	\$ 6.04

Total for Dog: \$ 14.47

Total Products: \$ 14.47

C.S.T. \$ 0.72

Total Invoice: \$ 15.19

Debit Card \$ 15.19

Total Payments - Thank you: \$ 15.19

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

4: 2196

Business Number: [REDACTED]

Nov 12, 2015

Invoice Number
[REDACTED]

Dog (#

F)

Species: Canine

Sex:

Age:

Breed: (none)

Coat Color: (none)

Rabies Tag Number:

3 DAPPV

Blood Work:

Bordetella:

Corona:

DAPPv

DAPPV

Date	Code	Description	Qty	Price
11/12/2015	3759	PR.DIET CANINE/FELINE A/D 156GM	3	\$ 9.00

Total for Dog: \$ 9.00

Total Products: \$ 9.00

G.S.T. \$ 0.45

Total Invoice: \$ 9.51

Cash \$ 10.00

Total Payments - Thank you: \$ 10.00

Change Dispensed: \$ 0.49

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

4: 97 20

Business Number

Nov 14, 2015

Invoice Number

Dog (# F)

Species: Canine

Sex:

Age:

Breed: (None)

Coat Color: (None)

Rabies Tag Number:

3 DAPPV.

Blood Work:

Bordetella:

Coccona:

DAPPV:

DAPPV:

Date	Code	Description	Qty	Price
11/14/2015	15500	Needle 20g x 1" ea.	2	\$ 0.50 ^{ts}
	8759	PR.DIET CANINE/FELINE A/D 156GM	1	\$ 12.08 ^{ts}

Total for Dog: \$ 12.58

Total Products: \$ 12.58

G.S.T. \$ 0.63

Total Invoice: \$ 13.21

Debit Card \$ 13.21

Total Payments - Thank you. \$ 13.21

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

46 (23) 98

Business Number: [REDACTED]

Nov 15, 2015

Invoice Number [REDACTED]

Dog (#	F)	3 DAPPV:
	Species: Canine	Blood Work:
	Sex:	Bordetella:
	Age:	Corona:
	Breed: (None)	DAPPV:
	Coat Color: (None)	DAPPV:
Rabies Tag Number:		

Date	Code	Description	Qty	Price
11/15/2015	2010085	B. Vetrap-4"	1	\$ 3.38 ^{net}
	8759	PR.DIET CANINE/FELINE A/D 156GM	2	\$ 6.04 ^{net}
	8792	PR.DIET K9 K/D 370G	1	\$ 3.46 ^{net}
	15500	Needle 20g x 1" ea.	2	\$ 0.50 ^{net}
	2212230	Lactated Ringers 1000 mL	2	\$ 15.36 ^{net}

Total for Dog: \$ 28.74

Total Products: \$ 28.74

G.S.T. \$ 1.44

Total Invoice: \$ 30.18

Debit Card \$ 30.18

Total Payments - Thank you: \$ 30.18

Payment is due at time of services rendered. 2% per month interest charged on unpaid balances.

75

INVOICE



Until one has loved an animal a part of one's soul remains unawakened...

FOR:



Printed: 08-03-16 at 7:18p

Date: 08-03-16

Account:

Invoice:



Date	For	Qty	Description	Price	Discount	Price
08-03-16	FELINE 2	1	RC Canine Feline Recovery Can*			3.69
08-03-16		1	PRD Feline C/D 156 g*			2.49
08-03-16		1	Advantage Blue 1 month*			20.00
08-03-16		1	RC Feline Dew 1.5kg*			23.79

Total charges, this invoice... 49.97

G.S.T.... *2.50

P.S.T.... *1.40

Total, this invoice... 53.87

Your old balance... 0.00

Total payment(s) received... 53.87

08-03-16 Visa payment 24.98

08-03-16 Cash payment 28.89

Your new balance... 0.00

The Doctors and Staff at [redacted] would like to thank you for allowing us to care for your pets.

Section 149.1 Qualified Donees

149.1(2) Revocation of registration of charitable organization

The Minister may, in the manner described in section 168, revoke the registration of a charitable organization for any reason described in subsection 168(1) or where the organization

- (a) carries on a business that is not a related business of that charity;
- (b) fails to expend in any taxation year, on charitable activities carried on by it and by way of gifts made by it to qualified donees, amounts the total of which is at least equal to the organization's disbursement quota for that year; or
- (c) makes a disbursement by way of a gift, other than a gift made
 - (i) in the course of charitable activities carried on by it, or
 - (ii) to a donee that is a qualified donee at the time of the gift.

149.1(3) Revocation of registration of public foundation

The Minister may, in the manner described in section 168, revoke the registration of a public foundation for any reason described in subsection 168(1) or where the foundation

- (a) carries on a business that is not a related business of that charity;
- (b) fails to expend in any taxation year, on charitable activities carried on by it and by way of gifts made by it to qualified donees, amounts the total of which is at least equal to the foundation's disbursement quota for that year;
- (b.1) makes a disbursement by way of a gift, other than a gift made
 - (i) in the course of charitable activities carried on by it, or
 - (ii) to a donee that is a qualified donee at the time of the gift;
- (c) since June 1, 1950, acquired control of any corporation;
- (d) since June 1, 1950, incurred debts, other than debts for current operating expenses, debts incurred in connection with the purchase and sale of investments and debts incurred in the course of administering charitable activities; or
- (e) at any time within the 24 month period preceding the day on which notice is given to the foundation by the Minister pursuant to subsection 168(1) and at a time when the foundation was a private foundation, took any action or failed to expend amounts such that the Minister was entitled, pursuant to subsection 149.1(4), to revoke its registration as a private foundation.

149.1(4) Revocation of registration of private foundation

The Minister may, in the manner described in section 168, revoke the registration of a private foundation for any reason described in subsection 168(1) or where the foundation

(a) carries on any business;

(b) fails to expend in any taxation year, on charitable activities carried on by it and by way of gifts made by it to qualified donees, amounts the total of which is at least equal to the foundation's disbursement quota for that year;

(b.1) makes a disbursement by way of a gift, other than a gift made

(i) in the course of charitable activities carried on by it, or

(ii) to a donee that is a qualified donee at the time of the gift;

(c) has, in respect of a class of shares of the capital stock of a corporation, a divestment obligation percentage at the end of any taxation year;

(d) since June 1, 1950, incurred debts, other than debts for current operating expenses, debts incurred in connection with the purchase and sale of investments and debts incurred in the course of administering charitable activities.

149.1(4.1) Revocation of registration of registered charity

The Minister may, in the manner described in section 168, revoke the registration

(a) of a registered charity, if it has entered into a transaction (including a gift to another registered charity) and it may reasonably be considered that a purpose of the transaction was to avoid or unduly delay the expenditure of amounts on charitable activities;

(b) of a registered charity, if it may reasonably be considered that a purpose of entering into a transaction (including the acceptance of a gift) with another registered charity to which paragraph (a) applies was to assist the other registered charity in avoiding or unduly delaying the expenditure of amounts on charitable activities;

(c) of a registered charity, if a false statement, within the meaning assigned by subsection 163.2(1), was made in circumstances amounting to culpable conduct, within the meaning assigned by that subsection, in the furnishing of information for the purpose of obtaining registration of the charity;

(d) of a registered charity, if it has in a taxation year received a gift of property (other than a designated gift) from another registered charity with which it does not deal at arm's length and it has expended, before the end of the next taxation year, in addition to its disbursement quota for each of those taxation years, an amount that is less than the fair market value of the property, on charitable activities carried on by it or by way of gifts made to qualified donees with which it deals at arm's length; and

(e) of a registered charity, if an ineligible individual is a director, trustee, officer or like official of the charity, or controls or manages the charity, directly or indirectly, in any manner whatever.

Section 168:

Revocation of Registration of Certain Organizations and Associations

168(1) Notice of intention to revoke registration

The Minister may, by registered mail, give notice to a person described in any of paragraphs (a) to (c) of the definition “qualified donee” in subsection 149.1(1) that the Minister proposes to revoke its registration if the person

- (a) applies to the Minister in writing for revocation of its registration;
- (b) ceases to comply with the requirements of this Act for its registration;
- (c) in the case of a registered charity or registered Canadian amateur athletic association, fails to file an information return as and when required under this Act or a regulation;
- (d) issues a receipt for a gift otherwise than in accordance with this Act and the regulations or that contains false information;
- (e) fails to comply with or contravenes any of sections 230 to 231.5; or
- (f) in the case of a registered Canadian amateur athletic association, accepts a gift the granting of which was expressly or implicitly conditional on the association making a gift to another person, club, society or association.

168(2) Revocation of Registration

Where the Minister gives notice under subsection 168(1) to a registered charity or to a registered Canadian amateur athletic association,

- (a) if the charity or association has applied to the Minister in writing for the revocation of its registration, the Minister shall, forthwith after the mailing of the notice, publish a copy of the notice in the Canada Gazette, and
- (b) in any other case, the Minister may, after the expiration of 30 days from the day of mailing of the notice, or after the expiration of such extended period from the day of mailing of the notice as the Federal Court of Appeal or a judge of that Court, on application made at any time before the determination of any appeal pursuant to subsection 172(3) from the giving of the notice, may fix or allow, publish a copy of the notice in the Canada Gazette,

and on that publication of a copy of the notice, the registration of the charity or association is revoked.

168(4) Objection to proposal or designation

A person may, on or before the day that is 90 days after the day on which the notice was mailed, serve on the Minister a written notice of objection in the manner authorized by the Minister, setting out the reasons for the objection and all the relevant facts, and the provisions of subsections 165(1), (1.1) and (3) to (7) and sections 166, 166.1 and 166.2 apply, with any modifications that the circumstances require, as if the notice were a notice of assessment made under section 152, if

(a) in the case of a person that is or was registered as a registered charity or is an applicant for such registration, it objects to a notice under any of subsections (1) and 149.1(2) to (4.1), (6.3), (22) and (23);

(b) in the case of a person that is or was registered as a registered Canadian amateur athletic association or is an applicant for such registration, it objects to a notice under any of subsections (1) and 149.1(4.2) and (22); or

(c) in the case of a person described in any of subparagraphs (a)(i) to (v) of the definition "qualified donee" in subsection 149.1(1), that is or was registered by the Minister as a qualified donee or is an applicant for such registration, it objects to a notice under any of subsections (1) and 149.1(4.3) and (22).

172(3) Appeal from refusal to register, revocation of registration, etc.

Where the Minister

(a) confirms a proposal or decision in respect of which a notice was issued under any of subsections 149.1(4.2) and (22) and 168(1) by the Minister, to a person that is or was registered as a registered Canadian amateur athletic association or is an applicant for registration as a registered Canadian amateur athletic association, or does not confirm or vacate that proposal or decision within 90 days after service of a notice of objection by the person under subsection 168(4) in respect of that proposal or decision,

(a.1) confirms a proposal, decision or designation in respect of which a notice was issued by the Minister to a person that is or was registered as a registered charity, or is an applicant for registration as a registered charity, under any of subsections 149.1(2) to (4.1), (6.3), (22) and (23) and 168(1), or does not confirm or vacate that proposal, decision or designation within 90 days after service of a notice of objection by the person under subsection 168(4) in respect of that proposal, decision or designation,

(a.2) confirms a proposal or decision in respect of which a notice was issued under any of subsections 149.1(4.3), (22) and 168(1) by the Minister, to a person that is a person described in any of subparagraphs (a)(i) to (v) of the definition "qualified donee" in subsection 149.1(1) that is or was registered by the Minister as a qualified donee or is an applicant for such registration, or does not confirm or vacate that proposal or decision within 90 days after service of a notice of objection by the person under subsection 168(4) in respect of that proposal or decision,

(b) refuses to accept for registration for the purposes of this Act any retirement savings plan,

(c) refuses to accept for registration for the purposes of this Act any profit sharing plan or revokes the registration of such a plan,

(d) [Repealed, 2011, c. 24, s. 54]

(e) refuses to accept for registration for the purposes of this Act an education savings plan,

(e.1) sends notice under subsection 146.1(12.1) to a promoter that the Minister proposes to revoke the registration of an education savings plan,

(f) refuses to register for the purposes of this Act any pension plan or gives notice under subsection 147.1(11) to the administrator of a registered pension plan that the Minister proposes to revoke its registration,

(f.1) refuses to accept an amendment to a registered pension plan,

(g) refuses to accept for registration for the purposes of this Act any retirement income fund,

(h) refuses to accept for registration for the purposes of this Act any pooled pension plan or gives notice under subsection 147.5(24) to the administrator of a pooled registered pension plan that the Minister proposes to revoke its registration, or

(i) refuses to accept an amendment to a pooled registered pension plan,

the person described in paragraph (a), (a.1) or (a.2), the applicant in a case described in paragraph (b), (e) or (g), a trustee under the plan or an employer of employees who are beneficiaries under the plan, in a case described in paragraph (c), the promoter in a case described in paragraph (e.1), the administrator of the plan or an employer who participates in the plan, in a case described in paragraph (f) or (f.1), or the administrator of the plan in a case described in paragraph (h) or (i), may appeal from the Minister's decision, or from the giving of the notice by the Minister, to the Federal Court of Appeal.

180(1) Appeals to Federal Court of Appeal

An appeal to the Federal Court of Appeal pursuant to subsection 172(3) may be instituted by filing a notice of appeal in the Court within 30 days from

(a) the day on which the Minister notifies a person under subsection 165(3) of the Minister's action in respect of a notice of objection filed under subsection 168(4),

(b) [Repealed, 2011, c. 24, s. 55]

(c) the mailing of notice to the administrator of the registered pension plan under subsection 147.1(11),

(c.1) the sending of a notice to a promoter of a registered education savings plan under subsection 146.1(12.1),

(c.2) the mailing of notice to the administrator of the pooled registered pension plan under subsection 147.5(24), or

(d) the time the decision of the Minister to refuse the application for acceptance of the amendment to the registered pension plan or pooled registered pension plan was mailed, or otherwise communicated in writing, by the Minister to any person,

as the case may be, or within such further time as the Court of Appeal or a judge thereof may, either before or after the expiration of those 30 days, fix or allow.

Section 188: Revocation tax

188(1) Deemed year-end on notice of revocation

If on a particular day the Minister issues a notice of intention to revoke the registration of a taxpayer as a registered charity under any of subsections 149.1(2) to (4.1) and 168(1) or it is determined, under subsection 7(1) of the Charities Registration (Security Information) Act, that a certificate served in respect of the charity under subsection 5(1) of that Act is reasonable on the basis of information and evidence available,

(a) the taxation year of the charity that would otherwise have included that day is deemed to end at the end of that day;

(b) a new taxation year of the charity is deemed to begin immediately after that day; and

(c) for the purpose of determining the charity's fiscal period after that day, the charity is deemed not to have established a fiscal period before that day.

188(1.1) Revocation tax

A charity referred to in subsection (1) is liable to a tax, for its taxation year that is deemed to have ended, equal to the amount determined by the formula

$$A - B$$

where

A
is the total of all amounts, each of which is

(a) the fair market value of a property of the charity at the end of that taxation year,

(b) the amount of an appropriation (within the meaning assigned by subsection (2)) in respect of a property transferred to another person in the 120-day period that ended at the end of that taxation year, or

(c) the income of the charity for its winding-up period, including gifts received by the charity in that period from any source and any income that would be computed under section 3 as if that period were a taxation year; and

B

is the total of all amounts (other than the amount of an expenditure in respect of which a deduction has been made in computing income for the winding-up period under paragraph (c) of the description of A), each of which is

- (a) a debt of the charity that is outstanding at the end of that taxation year,
- (b) an expenditure made by the charity during the winding-up period on charitable activities carried on by it, or
- (c) an amount in respect of a property transferred by the charity during the winding-up period and not later than the latter of one year from the end of the taxation year and the day, if any, referred to in paragraph (1.2)(c), to a person that was at the time of the transfer an eligible donee in respect of the charity, equal to the amount, if any, by which the fair market value of the property, when transferred, exceeds the consideration given by the person for the transfer.

188(1.2) Winding-up period

In this Part, the winding-up period of a charity is the period that begins immediately after the day on which the Minister issues a notice of intention to revoke the registration of a taxpayer as a registered charity under any of subsections 149.1(2) to (4.1) and 168(1) (or, if earlier, immediately after the day on which it is determined, under subsection 7(1) of the *Charities Registration (Security Information) Act*, that a certificate served in respect of the charity under subsection 5(1) of that Act is reasonable on the basis of information and evidence available), and that ends on the day that is the latest of

- (a) the day, if any, on which the charity files a return under subsection 189(6.1) for the taxation year deemed by subsection (1) to have ended, but not later than the day on which the charity is required to file that return,
- (b) the day on which the Minister last issues a notice of assessment of tax payable under subsection (1.1) for that taxation year by the charity, and
- (c) if the charity has filed a notice of objection or appeal in respect of that assessment, the day on which the Minister may take a collection action under section 225.1 in respect of that tax payable.

188(1.3) Eligible donee

In this Part, an eligible donee in respect of a particular charity is a registered charity

- (a) of which more than 50% of the members of the board of directors or trustees of the registered charity deal at arm's length with each member of the board of directors or trustees of the particular charity;
- (b) that is not the subject of a suspension under subsection 188.2(1);
- (c) that has no unpaid liabilities under this Act or under the *Excise Tax Act*;

- (d) that has filed all information returns required by subsection 149.1(14); and
- (e) that is not the subject of a certificate under subsection 5(1) of the Charities Registration (Security Information) Act or, if it is the subject of such a certificate, the certificate has been determined under subsection 7(1) of that Act not to be reasonable.

188(2) Shared liability — revocation tax

A person who, after the time that is 120 days before the end of the taxation year of a charity that is deemed by subsection (1) to have ended, receives property from the charity, is jointly and severally, or solidarily, liable with the charity for the tax payable under subsection (1.1) by the charity for that taxation year for an amount not exceeding the total of all appropriations, each of which is the amount by which the fair market value of such a property at the time it was so received by the person exceeds the consideration given by the person in respect of the property.

188(2.1) Non-application of revocation tax

Subsections (1) and (1.1) do not apply to a charity in respect of a notice of intention to revoke given under any of subsections 149.1(2) to (4.1) and 168(1) if the Minister abandons the intention and so notifies the charity or if

- (a) within the one-year period that begins immediately after the taxation year of the charity otherwise deemed by subsection (1) to have ended, the Minister has registered the charity as a charitable organization, private foundation or public foundation; and
- (b) the charity has, before the time that the Minister has so registered the charity,
 - (i) paid all amounts, each of which is an amount for which the charity is liable under this Act (other than subsection (1.1)) or the Excise Tax Act in respect of taxes, penalties and interest, and
 - (ii) filed all information returns required by or under this Act to be filed on or before that time.

188(3) Transfer of property tax

Where, as a result of a transaction or series of transactions, property owned by a registered charity that is a charitable foundation and having a net value greater than 50% of the net asset amount of the charitable foundation immediately before the transaction or series of transactions, as the case may be, is transferred before the end of a taxation year, directly or indirectly, to one or more charitable organizations and it may reasonably be considered that the main purpose of the transfer is to effect a reduction in the disbursement quota of the foundation, the foundation shall pay a tax under this Part for the year equal to the amount by which 25% of the net value of that property determined as of the day of its transfer exceeds the total of all amounts each of which is its tax payable under this subsection for a preceding taxation year in respect of the transaction or series of transactions.

188(3.1) Non-application of subsection (3)

Subsection (3) does not apply to a transfer that is a gift to which subsection 188.1(11) or (12) applies

188(4) Transfer of property tax

If property has been transferred to a charitable organization in circumstances described in subsection (3) and it may reasonably be considered that the organization acted in concert with a charitable foundation for the purpose of reducing the disbursement quota of the foundation, the organization is jointly and severally, or solidarily, liable with the foundation for the tax imposed on the foundation by that subsection in an amount not exceeding the net value of the property.

188(5) Definitions

In this section,

“net asset amount”

« *montant de l'actif net* »

“net asset amount” of a charitable foundation at any time means the amount determined by the formula

$$A - B$$

where

A

is the fair market value at that time of all the property owned by the foundation at that time, and

B

is the total of all amounts each of which is the amount of a debt owing by or any other obligation of the foundation at that time;

“net value”

« *valeur nette* »

“net value” of property owned by a charitable foundation, as of the day of its transfer, means the amount determined by the formula

$$A - B$$

where

A

is the fair market value of the property on that day, and

B

is the amount of any consideration given to the foundation for the transfer.

189(6) Taxpayer to file return and pay tax

Every taxpayer who is liable to pay tax under this Part (except a charity that is liable to pay tax under section 188(1)) for a taxation year shall, on or before the day on or before which the taxpayer is, or would be if tax were payable by the taxpayer under Part I for the year, required to file a return of income or an information return under Part I for the year,

- (a) file with the Minister a return for the year in prescribed form and containing prescribed information, without notice or demand therefor;
- (b) estimate in the return the amount of tax payable by the taxpayer under this Part for the year; and
- (c) pay to the Receiver General the amount of tax payable by the taxpayer under this Part for the year.

189(6.1) Revoked charity to file returns

Every taxpayer who is liable to pay tax under subsection 188(1.1) for a taxation year shall, on or before the day that is one year from the end of the taxation year, and without notice or demand,

- (a) file with the Minister
 - (i) a return for the taxation year, in prescribed form and containing prescribed information, and
 - (ii) both an information return and a public information return for the taxation year, each in the form prescribed for the purpose of subsection 149.1(14); and
- (b) estimate in the return referred to in subparagraph (a)(i) the amount of tax payable by the taxpayer under subsection 188(1.1) for the taxation year; and
- (c) pay to the Receiver General the amount of tax payable by the taxpayer under subsection 188(1.1) for the taxation year.

189 (6.2) Reduction of revocation tax liability

If the Minister has, during the one-year period beginning immediately after the end of a taxation year of a person, assessed the person in respect of the person's liability for tax under subsection 188(1.1) for that taxation year, has not after that period reassessed the tax liability of the person, and that liability exceeds \$1,000, that liability is, at any particular time, reduced by the total of

(a) the amount, if any, by which

(i) the total of all amounts, each of which is an expenditure made by the charity, on charitable activities carried on by it, before the particular time and during the period (referred to in this subsection as the "post-assessment period") that begins immediately after a notice of the latest such assessment was sent and ends at the end of the one-year period

exceeds

(ii) the income of the charity for the post-assessment period, including gifts received by the charity in that period from any source and any income that would be computed under section 3 if that period were a taxation year, and

(b) all amounts, each of which is an amount, in respect of a property transferred by the charity before the particular time and during the post-assessment period to a person that was at the time of the transfer an eligible donee in respect of the charity, equal to the amount, if any, by which the fair market value of the property, when transferred, exceeds the consideration given by the person for the transfer.

189(6.3) Reduction of liability for penalties

If the Minister has assessed a particular person in respect of the particular person's liability for penalties under section 188.1 for a taxation year, and that liability exceeds \$1,000, that liability is, at any particular time, reduced by the total of all amounts, each of which is an amount, in respect of a property transferred by the particular person after the day on which the Minister first assessed that liability and before the particular time to another person that was at the time of the transfer an eligible donee in respect of the particular person, equal to the amount, if any, by which the fair market value of the property, when transferred, exceeds the total of

(a) the consideration given by the other person for the transfer, and

(b) the part of the amount in respect of the transfer that has resulted in a reduction of an amount otherwise payable under subsection 188(1.1).

189 (7) Minister may assess

Without limiting the authority of the Minister to revoke the registration of a registered charity or registered Canadian amateur athletic association, the Minister may also at any time assess a taxpayer in respect of any amount that a taxpayer is liable to pay under this Part.