

**From:** [Jones, Stephanie](#)  
**Sent:** April 11, 2022 01:09 PM  
**To:** [Gray, Renee](#); [Au, Belinda](#)  
**Cc:** [Modeste, Vanessa](#); [Konare, Ibrahim](#); [Smith, Mark](#); [Shearman, Jeanette](#)  
**Subject:** FW: No updates on Bill S-216, Bill C-240, or the Senate motion on the T3010 and diversity

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**Categorization: Unclassified**

FYI

**Stephanie Jones**  
613-402-0679

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**From:** Ainslie, Camille <[Camille.Ainslie@cra-arc.gc.ca](mailto:Camille.Ainslie@cra-arc.gc.ca)>  
**Sent:** April 11, 2022 11:16 AM  
**To:** Khare, Sharmila <[Sharmila.Khare@cra-arc.gc.ca](mailto:Sharmila.Khare@cra-arc.gc.ca)>; Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>; Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>; Euler, Zachary <[Zachary.Euler@cra-arc.gc.ca](mailto:Zachary.Euler@cra-arc.gc.ca)>; Wehbe, Suzanne <[Suzanne.Wehe@cra-arc.gc.ca](mailto:Suzanne.Wehe@cra-arc.gc.ca)>  
**Cc:** Nadeau, JoAnne <[Joanne.Nadeau@cra-arc.gc.ca](mailto:Joanne.Nadeau@cra-arc.gc.ca)>; McKellips, Jonathan <[Jonathan.McKellips@cra-arc.gc.ca](mailto:Jonathan.McKellips@cra-arc.gc.ca)>; Boulerice, Céline <[Celine.Boulerice@cra-arc.gc.ca](mailto:Celine.Boulerice@cra-arc.gc.ca)>; Kamuanga, Emily <[Emily.Kamuanga@cra-arc.gc.ca](mailto:Emily.Kamuanga@cra-arc.gc.ca)>; Mohan, Sangeeta <[Sangeeta.Mohan@cra-arc.gc.ca](mailto:Sangeeta.Mohan@cra-arc.gc.ca)>; MacDougall, Anne <[Anne.MacDougall2@cra-arc.gc.ca](mailto:Anne.MacDougall2@cra-arc.gc.ca)>; Choy, Raymond <[Raymond.Choy@cra-arc.gc.ca](mailto:Raymond.Choy@cra-arc.gc.ca)>  
**Subject:** RE: No updates on Bill S-216, Bill C-240, or the Senate motion on the T3010 and diversity

**Categorization: Unclassified**

Hi All:

Just a quick addition, there was response to MP Lawrence's question I neglected to collapse the text and missed it, so I've included it below. He said he would do the research and speak to MP Lawrence.

Thanks,

Camille

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**From:** Ainslie, Camille  
**Sent:** April 11, 2022 10:54 AM  
**To:** Khare, Sharmila <[Sharmila.Khare@cra-arc.gc.ca](mailto:Sharmila.Khare@cra-arc.gc.ca)>; Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>; Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>; Euler, Zachary <[Zachary.Euler@cra-arc.gc.ca](mailto:Zachary.Euler@cra-arc.gc.ca)>; Wehbe, Suzanne <[Suzanne.Wehe@cra-arc.gc.ca](mailto:Suzanne.Wehe@cra-arc.gc.ca)>  
**Cc:** Nadeau, JoAnne <[Joanne.Nadeau@cra-arc.gc.ca](mailto:Joanne.Nadeau@cra-arc.gc.ca)>; Kelly, RobertJ <[Robert.Kelly2@cra-arc.gc.ca](mailto:Robert.Kelly2@cra-arc.gc.ca)>; McKellips, Jonathan <[Jonathan.McKellips@cra-arc.gc.ca](mailto:Jonathan.McKellips@cra-arc.gc.ca)>; Boulerice, Céline <[Celine.Boulerice@cra-arc.gc.ca](mailto:Celine.Boulerice@cra-arc.gc.ca)>; Kamuanga, Emily <[Emily.Kamuanga@cra-arc.gc.ca](mailto:Emily.Kamuanga@cra-arc.gc.ca)>; Mohan, Sangeeta <[Sangeeta.Mohan@cra-arc.gc.ca](mailto:Sangeeta.Mohan@cra-arc.gc.ca)>; MacDougall, Anne <[Anne.MacDougall2@cra-arc.gc.ca](mailto:Anne.MacDougall2@cra-arc.gc.ca)>; Choy, Raymond <[Raymond.Choy@cra-arc.gc.ca](mailto:Raymond.Choy@cra-arc.gc.ca)>

000001



**Subject:** No updates on Bill S-216, Bill C-240, or the Senate motion on the T3010 and diversity

**Categorization:** Unclassified

Hi All:

There are no updates on [Bill S-216](#), *An act to amend the Income Tax Act (use of resources of a registered charity)*, or changes for [Bill C-240](#), *An Act to amend the Income Tax Act (donations involving private corporation shares or real estate)*, or for the Senate motion on diversity and the T3010 (this item is listed as motion # 3, on the Senate's [Order Paper](#), for its next sitting day, April 26, 2022).

Although Bill S-216 has not been debated, on [April 5, 2022](#), Hansard records show that a verbal response was given in the house about written question # 352, which basically indicates the “government will communicate its position on Bill S-216, an act to amend the Income Tax Act (use of resources of a registered charity), during the legislative process in the House of Commons.”

Also note that on [Friday, April 8, 2022](#), at 1305, MP Philip Lawrence (CPC) asked about Bill S-216, in the context of the Budget 2022 announcement that the government intended to table its own legislative changes to the Income Tax Act, “in the spirit of Bill S-216.” He asked if the government intended to remove the “own activities test.” MP Peter Fragiskatos, Parliamentary Secretary to the Minister of National Revenue, replied:

“We shall see. The budget does talk about the spirit of Bill [S-216](#). What that ultimately means in terms of how that will manifest is something to be discussed among colleagues in the House.

I would also be very happy to engage with the member opposite by way of a phone call, a coffee or whatever it might be to hear his thoughts on why this reform is needed and the best ways to go about it.”

Then later, at 1320, MP Philip Lawrence (CPC) again referred to Bill S-216:

“Mr. Speaker, my question will again be directed toward the potential implementation of the spirit of Bill [S-216](#), as included in the budget act.

As we have seen, the existing charitable law, or the transfer between charities and non-qualified donees or non-charities, is extremely archaic. In fact, some would say it is colonial in structure, which makes it very difficult for charities to have the right type of operation. For example, if a charity wants to give money to an overseas project, it cannot, as it is physically impossible for it to oversee every single judgment. Bill [S-216](#) was put in place to make sure those tactical decisions could stay on the ground while there was still lots of accountability.

The challenge is in the budget document, and I have a quote from a professional in the field. He says the examples of accountability requirements set out in budget 2022 are extremely detailed, highly prescriptive and operational in nature, which will make things extremely challenging if this is implemented in this method. We want to make sure that charities are, of course, accountable and transparent to their donors, but we also want to make sure that charities have sufficient autonomy to do their work to help people, particularly in the indigenous context. Unfortunately, indigenous people have been mistreated by governments since the very beginning of our country, and some of this has been quite egregious, including the residential schools.

000002

Instead of adopting a colonial method, why would we not give charities more autonomy, as in Bill [S-216](#)?”

At 13:25, MP Dan Vandal (Liberal) responded:

“Mr. Speaker, I thank the member for putting this on my radar. I could certainly talk longer about our reconciliation objectives and actions than I could about the actual details of the charity aspect in the budget. However, I thank the member for putting it on my radar and I endeavour to get back to him. I will do the research and find out about the particular issue he is referencing, and I will speak to him.”

The next [sitting day](#) of Parliament is Monday, April 25, 2022.

Note that MP Lawrence’s comments on the Budget proposals concerning amendments to the direction and control rules, echo those in [Terry Carter’s April 8, 2022 paper on Budget 2022](#).

Thanks,

Camille

Camille Ainslie

Senior Policy Analyst / Analyste principale en politiques  
Policy, Planning and Legislation Division / Division des organismes de  
bienfaisance

Canada Revenue Agency / Agence du revenu du Canada

**NEW TEL: (343) 550-8949**



Canada Revenue  
Agency

Agence du revenu  
du Canada

**Canada**



**From:** [Jones, Stephanie](#)  
**Sent:** April 7, 2022 05:07 PM  
**To:** [Gray, Renee](#)  
**Subject:** RE: Legislative Drafting

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**Categorization: Unclassified**

Excellent – thanks, Renee! Anne C is happy to have you and Anne M attend.

Thank you for confirming that you could attend virtually or in person.

**Stephanie Jones**  
613-402-0679

---

**From:** Gray, Renee <[Renee.Gray@cra-arc.gc.ca](mailto:Renee.Gray@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:05 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

Hi Stephanie,  
I can be the other person from Charities. However, if Anne C would like to attend with Anne M., I am willing to defer to PDS.  
I can attend if it is in person or virtual.  
Thanks,

**Renee**

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**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:04 PM  
**To:** Gray, Renee <[Renee.Gray@cra-arc.gc.ca](mailto:Renee.Gray@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

I'm checking to see if the session is virtual or in-person...

**Stephanie Jones**  
613-402-0679

---

**From:** Jones, Stephanie  
**Sent:** April 7, 2022 4:48 PM  
**To:** Gray, Renee <[Renee.Gray@cra-arc.gc.ca](mailto:Renee.Gray@cra-arc.gc.ca)>  
**Subject:** FW: Legislative Drafting  
**Importance:** High

**Categorization: Unclassified**

Renee, I'll send to Anne C, as I'm thinking Anne M should be there. What about you as the other from Charities, though?

Let me know.

000004

Thanks,

**Stephanie Jones**

613-402-0679

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**From:** Arjang, Claire <[Claire.Ariang@cra-arc.gc.ca](mailto:Claire.Ariang@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 4:42 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Cc:** Wirag, Jennifer <[jennifer.wirag@cra-arc.gc.ca](mailto:jennifer.wirag@cra-arc.gc.ca)>  
**Subject:** FW: Legislative Drafting  
**Importance:** High

**Categorization: Unclassified**

Hi Stephanie,

Please see Blaine's email below. Jennifer will attend the drafting session on behalf of LPD. Could you please identify two more people by tomorrow? Please forward the names to Jennifer and she'll send them to Blaine.

Thank you,

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division  
Legislative Policy & Regulatory Affairs Branch

---

**From:** Langdon, Blaine <[Blaine.Langdon@fin.gc.ca](mailto:Blaine.Langdon@fin.gc.ca)>  
**Sent:** April 7, 2022 4:23 PM  
**To:** Arjang, Claire <[Claire.Ariang@cra-arc.gc.ca](mailto:Claire.Ariang@cra-arc.gc.ca)>  
**Cc:** Scott, Andre <[Andre.Scott@fin.gc.ca](mailto:Andre.Scott@fin.gc.ca)>  
**Subject:** Legislative Drafting

Hi Claire – Hoping you are the right contact for this. We'd like to invite CRA to drafting next week on the Charitable Partnerships measure. The legislative drafting area would like to limit numbers to 3 people maximum.

Drafting is Tuesday April 12 at 9:30. Sorry for the short notice, but this measure is expected to be in BIA1.

Send me some names and I will forward the invitation.

Blaine Langdon  
Director | Directeur  
Charities | Organismes de bienfaisance  
Personal Income Tax Division | Division de l'impôt des particuliers  
Tax Policy Branch | Direction de la politique de l'impôt  
Department of Finance Canada | Ministère des Finances Canada  
Ottawa, Canada K1A 0G5  
[Blaine.Langdon@canada.ca](mailto:Blaine.Langdon@canada.ca)  
Telephone | Téléphone 613-369-3725 (Office) / 613-240-8078 (Cell)  
Government of Canada | Gouvernement du Canada

000005

**From:** [Arjang, Claire](#)  
**Sent:** April 7, 2022 05:38 PM  
**To:** [Jones, Stephanie](#)  
**Cc:** [Wirag, Jennifer](#)  
**Subject:** RE: Legislative Drafting

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**Categorization: Unclassified**

I suspect it will be virtual. The last one Jen attended was virtual.

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division  
Legislative Policy & Regulatory Affairs Branch

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**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:03 PM  
**To:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>  
**Cc:** Wirag, Jennifer <[jennifer.wirag@cra-arc.gc.ca](mailto:jennifer.wirag@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

Hi, Claire.

We'll get you names ASAP. Do you know if the drafting session will be virtual or in-person?

Thanks,

**Stephanie Jones**  
613-402-0679

---

**From:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 4:42 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Cc:** Wirag, Jennifer <[jennifer.wirag@cra-arc.gc.ca](mailto:jennifer.wirag@cra-arc.gc.ca)>  
**Subject:** FW: Legislative Drafting  
**Importance:** High

**Categorization: Unclassified**

Hi Stephanie,

Please see Blaine's email below. Jennifer will attend the drafting session on behalf of LPD. Could you please identify two more people by tomorrow? Please forward the names to Jennifer and she'll send them to Blaine.

Thank you,

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division

000006



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**From:** Langdon, Blaine <[Blaine.Langdon@fin.gc.ca](mailto:Blaine.Langdon@fin.gc.ca)>

**Sent:** April 7, 2022 4:23 PM

**To:** Arjang, Claire <[Claire.Ariang@cra-arc.gc.ca](mailto:Claire.Ariang@cra-arc.gc.ca)>

**Cc:** Scott, Andre <[Andre.Scott@fin.gc.ca](mailto:Andre.Scott@fin.gc.ca)>

**Subject:** Legislative Drafting

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Send me some names and I will forward the invitation.

Blaine Langdon

Director | Directeur

Charities | Organismes de bienfaisance

Personal Income Tax Division | Division de l'impôt des particuliers

Tax Policy Branch | Direction de la politique de l'impôt

Department of Finance Canada | Ministère des Finances Canada

Ottawa, Canada K1A 0G5

[Blaine.Langdon@canada.ca](mailto:Blaine.Langdon@canada.ca)

Telephone | Téléphone 613-369-3725 (Office) / 613-240-8078 (Cell)

Government of Canada | Gouvernement du Canada

**From:** [Jones, Stephanie](#)  
**Sent:** April 7, 2022 08:01 PM  
**To:** [Charron, Anne](#)  
**Subject:** Re: Legislative Drafting

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Thanks so much, Anne! Claire said likely virtual - LPD attended one in Jan, and it was virtual. Blaine will forward the invites.

Stephanie Jones  
Manager | Gestionnaire  
Legislative Agenda and Operational Issues | Programme législatif et enjeux opérationnels  
LPRAB | DGPLAR  
613-402-0679

On Apr 7, 2022, at 5:38 PM, Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)> wrote:

I was able to get hold of Anne, and she's fine with doing this in person. So, please include her in the drafting session.

---

**From:** Charron, Anne  
**Sent:** April 7, 2022 5:31 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization:** Unclassified

I'll try to reach her at home...

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**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:27 PM  
**To:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>  
**Subject:** Re: Legislative Drafting

Ok. We have to send names by tomorrow. If you can't get ahold of Anne now and she's off until Tues, then would the other Charities rep be you? We would want to send experts, which is why I thought of Anne M, but you're also well-qualified!

Stephanie Jones  
Manager | Gestionnaire  
Legislative Agenda and Operational Issues | Programme législatif et enjeux opérationnels  
LPRAB | DGPLAR  
613-402-0679

On Apr 7, 2022, at 5:18 PM, Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)> wrote:

000008



**Categorization: Unclassified**

Anne's off tomorrow and only back on Tuesday, so I was hoping to get her the info asap (and it's looking like that would be on Tuesday morning, and she starts at 9:00). That said, maybe we'll have to go with someone else for the time being if it's in person.

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**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:14 PM  
**To:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

Ok. I haven't heard back, but was hoping to respond today since I'm off tomorrow. Could you see if she would attend either way? I'm just not sure that I'll get a response on that today.

**Stephanie Jones**  
613-402-0679

---

**From:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:12 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

I don't know if Anne would have a problem doing this in person, but I'd like to know before I ask her.  
Thanks,

Anne

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**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:09 PM  
**To:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

**Categorization: Unclassified**

I've asked Claire and Jen. Would it be a concern for Anne M if it's in-person? Renee has confirmed that she could attend either way.

Thanks,

**Stephanie Jones**  
613-402-0679

---

**From:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>  
**Sent:** April 7, 2022 5:02 PM  
**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>  
**Subject:** RE: Legislative Drafting

000009

**Categorization: Unclassified**

Hi Stephanie,

Anne M and Renee would be good candidates, I think.

Do you know if the drafting sessions will be in person or virtual?

Thanks,

Anne

---

**From:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>

**Sent:** April 7, 2022 4:58 PM

**To:** Charron, Anne <[Anne.Charron2@cra-arc.gc.ca](mailto:Anne.Charron2@cra-arc.gc.ca)>

**Subject:** FW: Legislative Drafting

**Importance:** High

**Categorization: Unclassified**

Anne, what do you think? I would like to suggest Anne M and Renee (just waiting for Renee to confirm).

**Stronger Partnerships in the Charitable Sector**

Canadian charities carry out a wide range of important work, including vital international development and relief activities around the world and providing direct support to Canadians here at home. Canada's tax rules should support their work and minimize their administrative burdens, while still ensuring accountability for how charitable resources are used.

Both the charitable sector and parliamentarians have put forward a number of proposals to achieve these goals, while allowing greater flexibility for charities to support non-profit groups that may not have the ability to pursue charitable status of their own. The government supports these efforts.

To ensure sufficient flexibility for charities to carry out their work, Budget 2022 proposes to amend the Income Tax Act to allow a charity to provide its resources to organizations that are not qualified donees, provided that the charity meets certain requirements designed to ensure accountability. This is intended to implement the spirit of Bill S-216, the Effective and Accountable Charities Act, which is currently being considered by Parliament.

Thanks,

**Stephanie Jones**

613-402-0679

---

**From:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>

**Sent:** April 7, 2022 4:42 PM

**To:** Jones, Stephanie <[Stephanie.Jones@cra-arc.gc.ca](mailto:Stephanie.Jones@cra-arc.gc.ca)>

**Cc:** Wirag, Jennifer <[jennifer.wirag@cra-arc.gc.ca](mailto:jennifer.wirag@cra-arc.gc.ca)>

000010



**Subject:** FW: Legislative Drafting

**Importance:** High

**Categorization:** Unclassified

Hi Stephanie,

Please see Blaine's email below. Jennifer will attend the drafting session on behalf of LPD. Could you please identify two more people by tomorrow? Please forward the names to Jennifer and she'll send them to Blaine.

Thank you,

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division  
Legislative Policy & Regulatory Affairs Branch

---

**From:** Langdon, Blaine <[Blaine.Langdon@fin.gc.ca](mailto:Blaine.Langdon@fin.gc.ca)>

**Sent:** April 7, 2022 4:23 PM

**To:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>

**Cc:** Scott, Andre <[Andre.Scott@fin.gc.ca](mailto:Andre.Scott@fin.gc.ca)>

**Subject:** Legislative Drafting

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Drafting is Tuesday April 12 at 9:30. Sorry for the short notice, but this measure is expected to be in BIA1.

Send me some names and I will forward the invitation.

Blaine Langdon

Director | Directeur

Charities | Organismes de bienfaisance

Personal Income Tax Division | Division de l'impôt des particuliers

Tax Policy Branch | Direction de la politique de l'impôt

Department of Finance Canada | Ministère des Finances Canada

Ottawa, Canada K1A 0G5

[Blaine.Langdon@canada.ca](mailto:Blaine.Langdon@canada.ca)

Telephone | Téléphone 613-369-3725 (Office) / 613-240-8078

(Cell)

Government of Canada | Gouvernement du Canada

000011

**From:** [Jones, Stephanie](#)  
**Sent:** April 7, 2022 08:03 PM  
**To:** Wirag, Jennifer  
**Cc:** [Arjang, Claire](#); [Charron, Anne](#); [MacDougall, Anne](#); [Gray, Renee](#)  
**Subject:** Re: Legislative Drafting

---

Hi, Jen.

Renee Gray and Anne MacDougall will attend from Charities.

Thanks!

Stephanie Jones  
Manager | Gestionnaire  
Legislative Agenda and Operational Issues | Programme législatif et enjeux opérationnels  
LPBAB | DGPLAR  
613-402-0679

On Apr 7, 2022, at 4:41 PM, Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)> wrote:

**Categorization: Unclassified**

Hi Stephanie,  
Please see Blaine's email below. Jennifer will attend the drafting session on behalf of LPD. Could you please identify two more people by tomorrow? Please forward the names to Jennifer and she'll send them to Blaine.

Thank you,

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division  
Legislative Policy & Regulatory Affairs Branch

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**From:** Langdon, Blaine <[Blaine.Langdon@fin.gc.ca](mailto:Blaine.Langdon@fin.gc.ca)>  
**Sent:** April 7, 2022 4:23 PM  
**To:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>  
**Cc:** Scott, Andre <[Andre.Scott@fin.gc.ca](mailto:Andre.Scott@fin.gc.ca)>  
**Subject:** Legislative Drafting

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000012



Send me some names and I will forward the invitation.

Blaine Langdon  
Director | Directeur  
Charities | Organismes de bienfaisance  
Personal Income Tax Division | Division de l'impôt des particuliers  
Tax Policy Branch | Direction de la politique de l'impôt  
Department of Finance Canada | Ministère des Finances Canada  
Ottawa, Canada K1A 0G5  
[Blaine.Langdon@canada.ca](mailto:Blaine.Langdon@canada.ca)  
Telephone | Téléphone 613-369-3725 (Office) / 613-240-8078 (Cell)  
Government of Canada | Gouvernement du Canada

DISCLOSED  
PURSUANT TO  
THE ATIA  
A-2022-145951

**From:** [Jones, Stephanie](#)  
**Sent:** April 7, 2022 08:03 PM  
**To:** [Wirag, Jennifer](#)  
**Cc:** [Arjang, Claire](#); [Charron, Anne](#); [MacDougall, Anne](#); [Gray, Renee](#)  
**Subject:** Re: Legislative Drafting

---

Hi, Jen.

Renee Gray and Anne MacDougall will attend from Charities.

Thanks!

Stephanie Jones  
Manager | Gestionnaire  
Legislative Agenda and Operational Issues | Programme législatif et enjeux opérationnels  
LPBAB | DGPLAR  
613-402-0679

On Apr 7, 2022, at 4:41 PM, Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)> wrote:

**Categorization: Unclassified**

Hi Stephanie,  
Please see Blaine's email below. Jennifer will attend the drafting session on behalf of LPD. Could you please identify two more people by tomorrow? Please forward the names to Jennifer and she'll send them to Blaine.

Thank you,

**Claire Arjang**

Regulatory Affairs Section & Provincial Legislative Amendments Section  
Legislative Amendments Division  
Legislative Policy & Regulatory Affairs Branch

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**From:** Langdon, Blaine <[Blaine.Langdon@fin.gc.ca](mailto:Blaine.Langdon@fin.gc.ca)>  
**Sent:** April 7, 2022 4:23 PM  
**To:** Arjang, Claire <[Claire.Arjang@cra-arc.gc.ca](mailto:Claire.Arjang@cra-arc.gc.ca)>  
**Cc:** Scott, Andre <[Andre.Scott@fin.gc.ca](mailto:Andre.Scott@fin.gc.ca)>  
**Subject:** Legislative Drafting

Hi Claire – Hoping you are the right contact for this. We'd like to invite CRA to drafting next week on the Charitable Partnerships measure. The legislative drafting area would like to limit numbers to 3 people maximum.

Drafting is Tuesday April 12 at 9:30. Sorry for the short notice, but this measure is expected to be in BIA1.

000014



Send me some names and I will forward the invitation.

Blaine Langdon

Director | Directeur

Charities | Organismes de bienfaisance

Personal Income Tax Division | Division de l'impôt des particuliers

Tax Policy Branch | Direction de la politique de l'impôt

Department of Finance Canada | Ministère des Finances Canada

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Government of Canada | Gouvernement du Canada

DISCLOSED  
PURSUANT TO  
THE ATIA  
A-2022-145951

## Olson, Stephanie

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**Subject:** FW: Legislative Drafting - Charitable Partnerships  
**Location:** ••h  
**Start:** Tue 2022-04-12 09:30 AM  
**End:** Tue 2022-04-12 12:30 PM  
**Recurrence:** (none)  
**Meeting Status:** Not yet responded  
**Organizer:** Gwyer, Lindsay

-----Original Appointment-----

**From:** Gwyer, Lindsay <Lindsay.Gwyer@fin.gc.ca>  
**Sent:** April 6, 2022 11:29 AM  
**To:** Gwyer, Lindsay; Demeter, Robert; Wilson, Lucas; Langdon, Blaine; D'Allaire, Dominique  
**Cc:** Scott, Andre; Drisdelle, Daniel  
**Subject:** Legislative Drafting - Charitable Partnerships  
**When:** April 12, 2022 9:30 AM-12:30 PM (UTC-05:00) Eastern Time (US & Canada).  
**Where:** Microsoft Teams Meeting

This is for legislative drafting for the charitable partnerships measure, to be included in BIA1. If the time does not work please let me know. Lucas, please try to circulate draft legislation 24 hours in advance.

Please invite CRA if appropriate.

---

Microsoft Teams meeting

### Join on your computer or mobile app

[Click here to join the meeting](#)

### Or call in (audio only)

[+1 343-633-4705,,282881569#](#) Canada, Ottawa-Hull

Phone Conference ID: 282 881 569#

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Note: If a user calls in with their phone, then the meeting is no longer classified as PROTECTED B and becomes UNCLASSIFIED | Remarque : Si un utilisateur appelle avec son téléphone, la réunion n'est plus classée PROTÉGÉ B et devient NON CLASSIFIÉE.

[Learn More](#) | [Help](#) | [Meeting options](#)



**From:** Media Monitoring-PAB / Surveillance Medias-DGAP (CRA/ARC)  
**Sent:** April 8, 2022 03:56 PM  
**Subject:** Need to Know | À la une

**Categorization: Unclassified | Catégorisation : Non Classifié**

## **Need to Know | À la une**

### **Stories of Interest | Articles d'intérêt :**

#### **FEDERAL BUDGET | BUDGET FÉDÉRAL**

- ([NP](#) + [IE](#) + [BNN](#) + [NP](#) + [G&M](#) + [G&M](#) + [G&M](#) + [RC](#) + [OC](#)) The tabling of the federal budget Thursday garnered **significant coverage** today as reports suggested it was a modest and “back-to-basics” budget focused on housing and making life more affordable.
- Finance Minister **Chrystia Freeland** acknowledged that the budget does not include all of the spending items promised in last year’s Liberal Party of Canada election platform. While presenting the budget, Minister Freeland made clear **Canada is winding down pandemic-related spending** and shifting toward social economic drivers like housing, immigration, and childcare.
- Minister Freeland is projecting a **\$52.8-billion deficit this fiscal year**. That’s down significantly from the much higher deficits recorded during the height of the pandemic. The budget predicts the deficit will fall to \$8.4-billion by 2026-27.
- The budget projects an additional \$16.5-billion in revenue from tax hikes—including on big banks and insurance companies—as well as \$8.9-billion in internal savings means the projected net cost of the new measures over six years is \$31.2-billion.
- While the **Conservative Party of Canada** stated immediately that they would not be supporting the budget, reports note it is likely to pass as the first test of the New Democratic Party-Liberal Party of Canada **confidence and supply agreement**.
- The budget further forecasts **3.9% economic growth** this year, though expects that to slow over the ensuing four years to average 2.9% annual growth in real gross domestic product. Additionally, it forecasts the debt as a percentage of the economy will hit **45.1% this year** and decline over the coming years, including in a worst-case scenario envisioned in the document.
- Of note for the **Canada Revenue Agency (CRA)**, the federal budget sets aside \$1.2 billion over the next five years so the agency can **expand audits** of larger entities and non-residents engaged in **“aggressive” tax-planning** schemes. That measure is expected to recover \$3.4 billion over five years in potential lost tax revenue.
- Alors que la précédente édition du budget fédéral prévoyait 392 millions de dollars sur trois ans pour promouvoir les deux langues officielles, auxquels se sont ajoutés 16 millions de dollars lors de la mise à jour de novembre 2021 pour appuyer la mise en œuvre du projet de modernisation de la Loi sur les langues officielles une fois la sanction royale obtenue, le plus récent exercice budgétaire demeure avare de nouvelles mesures.
- The CRA’s **Legislative Policy and Regulatory Affairs Branch** prepared a [Federal Budget: Highlights Package](#) | La **Direction générale de la politique législative et des affaires réglementaires** de l’ARC a préparé un document intitulé [Budget fédéral : Les points saillants](#).



- ([CBC](#)) The federal government plans to launch a “**strategic policy review**” of how the public service does its work in a post-pandemic era. Thursday’s budget signals that the federal government is moving past pandemic-era spending, while also looking at how COVID-19 could reshape how the government delivers its services.
- Allowing federal public servants to **work from home** more permanently and potentially selling off federal buildings could aid in the government’s effort to save as much as \$6 billion over five years. The budget proposes the government find ways to save money in the areas of “real property, travel, and increased digital service delivery. [...] efforts [that] would target savings of \$6 billion over five years, and \$3 billion annually by 2026-27,” according to budget documents.
- ([PIPSC](#)) Jennifer Carr, President of the Professional Institute of the Public Service of Canada (PIPSC), said “Today’s budget makes some welcome progress, especially on investing in **CRA to go after tax cheats**, increased tax fairness and mental health support for Black public service workers,” said Carr. “But public service professionals have serious questions for the government on what exactly they plan to cut and hope the government doesn’t plan to balance the budget on the backs of members of the public service.”
- “Remote work has helped make progress on creating a more **diverse, inclusive, and equitable public service**. But we have concerns about whether the federal government has learned the right lessons from the past two years,” said Carr. “We were hoping to see a more **consistent and coherent approach to policies** around return to work and creating safe workplaces.”

## Real Estate | Immobilier

- ([NP](#) + [NP](#) + [BNN](#) + [NP](#) + [iPolitics](#) + [OC](#)) Dubbed the “**housing budget**” by some observers, much of the new spending in the 2022–2023 budget is directed at getting more people to be able to afford their own home. With this aim in mind, the budget allots a third of all new spending for housing, which equates to **\$10.1 billion**.
- For starters, there was more information about the upcoming **Tax-Free First Home Savings Account** (FHSA), a new registered account. FHSA contributions would be tax deductible and income earned in an FHSA would not be taxable while in the plan, nor taxable when withdrawn to buy a first home. There’s a lifetime contribution limit of \$40,000, and an annual contribution limit of \$8,000, which cannot be carried forward, beginning in 2023.
- The government also proposes to double the **First-Time Home Buyers’ Tax Credit** to \$10,000, worth \$1,500 in non-refundable credits, double the Home **Accessibility Tax Credit** for eligible home renovations up to \$20,000 (up from \$10,000) for alteration expenses made by seniors or those entitled to the Disability Tax Credit to make their homes more accessible. The GC is also introducing a \$7,500 “**multigenerational home renovation tax credit**” for families who add-on secondary suites for seniors or adults with disabilities.
- The Budget also addresses how, in recent years, the [Canada Revenue Agency has been cracking down](#) on perceived abuse of the **Principal Residence Exemption**, most recently with a letter campaign, in which the CRA sent letters to individuals “who may have applied the principal residence exemption (PRE) in error.” The budget, now proposes anyone who sells residential property within a year gets fully taxed on their profits unless there’s a legitimate reason to sell the property so quickly such as a death, disability, birth of a child, a new job or divorce. This change would come into effect sometime around Jan. 1, 2023.
- The government is moving up the timeline for the implementation of its publicly accessible **ownership registry** by two years, making good on one of the pledges made as part of the support agreement with the New Democrats. The registry—essentially a



database of who ultimately owns and controls private corporations—is now expected to be accessible by the end of next year, two years earlier than initially promised.

- The budget also includes a **two-year moratorium on foreigners buying** non-recreational residential property in Canada.
- ([PMO](#)) In a News Release on Friday, **Prime Minister, Justin Trudeau**, and the Deputy Prime Minister and **Minister of Finance, Chrystia Freeland**, highlighted key measures included in *Budget 2022: A Plan to Grow Our Economy and Make Life More Affordable* to improve the **housing affordability** for Canadians. Such as putting Canada on the path to double housing **construction** over the next decade; curbing unfair practices that drive up the **price of housing**; helping Canadians buy their first home by introducing the **Tax-Free First Home Savings Account**; protecting buyers and renters; continuing to fight **homelessness** and support housing affordability; and addressing the housing needs of **Indigenous Peoples**.
- ([VanSun](#)) Simon Fraser University finance professor **Andrey Pavlov** was critical of the promised spending on additional housing, insisting “The bottleneck is not money for housing, it’s waiting for city approval and inspection, and a confusing provincial building code.”
- ([G&M](#)) Benjamin Tal, deputy chief economist with CIBC, said he does not think Canada has the capacity to double construction because of a shortage of construction workers and skilled trades. “Giving municipalities more resources to provide permits without making sure that developers have the labour to act on them will significantly limit the effectiveness of that policy,” he said.
- ([RC](#)) Selon la directrice du **Centre canadien de politiques alternatives**, Molly McCracken, le nouveau compte d’épargne libre d’impôt pour l’habitation est un élément positif de ce budget. « C’est bon pour les Canadiens de moins de 40 ans qui veulent acheter leur premier logement. Mais ce ne sont pas tous les jeunes Canadiens qui ont l’opportunité d’acheter un logement. »
- ([JdQ](#)) L’avantage du **Compte libre d’impôt pour l’achat d’une première propriété** se fait sentir après l’achat de la maison, du fait qu’on n’a pas à se rembourser soi-même sur 15 ans. Selon le *Journal de Québec*, plutôt que de créer un autre compte (qui s’ajoute au CELI, au REER, au REEE, etc.), il aurait été plus simple d’augmenter les retraits autorisés en vertu du RAP, de 35 000 \$ à 50 000 \$, et de faire passer la période de remboursement de 15 à 20 ans. Ainsi, un couple aurait pu retirer 100 000 \$ de ses REER pour faire une mise de fonds.

#### **Alternative Minimum Tax | Impôt minimum de remplacement.**

- ([NP](#)) *National Post* reported that according to 2019 tax data (from Budget 2022), nearly 18 per cent of Canadians who earned \$400,000 in gross income that year—or the 0.5 per cent—paid less than 10 per cent (and sometimes even zero per cent) in federal tax.
- Another 10 per cent of wealthy Canadians paid up to 15 per cent, which is essentially the **first federal income tax bracket**. The remaining 72 per cent of the country’s top 0.5 per cent earners in 2019 paid over 15 per cent in federal tax.
- But that’s where Canada’s little-known **Alternative Minimum Tax (AMT)** provision should kick in, writes the author, but the government admits the AMT, which hasn’t been substantively updated since 1986, isn’t working. Tax experts say this is an “interesting move” to address **inequalities in the tax system**.
- “There are still thousands of wealthy Canadians who pay little to no personal income tax each year. That is unfair, and the federal government is committed to changing it,” reads the budget, “government’s commitment to examine a new minimum tax regime, which will go further toward ensuring that all wealthy Canadians pay their fair share of tax. **The government will release details on a proposed approach in the 2022 fall economic and fiscal update.**”



- **Jamie Golombek**, managing director, tax and estate planning at **CIBC**, said he was surprised to see that 28 per cent of wealthy Canadians paid so little in federal tax in 2019. "That number seems crazy to me," Golombek said. "We have an AMT, it affects very few people, literally, at the end of the day ... and it's obviously not capturing enough people in their opinion."
- **Greg Bell**, a tax expert with **KPMG**, says Finance Canada should dive deeper into how so many wealthy Canadians managed to reduce their gross income so much on their tax filings.

### Canada Recovery Dividend | Dividende pour la relance au Canada

- ([NP](#)) The federal budget also includes a one-time, **15% charge on taxable income** above \$1 billion for the 2021 tax year for the country's big financial institutions, called the **Canada Recovery Dividend**. The move comes after Canada's big six banks made heavy profits during the pandemic and have recovered faster than other parts of the economy.
- Ottawa also plans to permanently increase the corporate income tax rate for banking and life insurance groups by 1.5 percentage points for taxable income above \$100 million.
- The **Canadian Bankers Association** criticized the plan, insisting the Government of Canada was "singling out" the financial services industry and saying the tax hit will "merely redirect" bank profits from Canadians—in the form of stock dividends—to government coffers.
- **Jack Mintz**, the President's Fellow at the University of Calgary's School of Public Policy, questioned why only bank and life insurance companies were targeted for a special tax, adding that financial institutions will likely find a way around some of the added taxes by shifting income offshore.

### Tax Credits | Crédits d'impôts

- ([FP](#)) The budget is expanding the list of medical expenses qualifying for the **Medical Expense Tax Credit (METC)** to include a variety of expenses individuals may incur to become parents in the areas of surrogacy, sperm, ova or embryo donations.
- ([Advisors](#)) The definition of "patient" for the purposes of METC, a 15% non-refundable tax credit, is being expanded. The broader definition would allow medical expenses paid by the taxpayer, or the taxpayer's spouse or common-law partner, with respect to a surrogate mother or donor to be eligible for the METC.

### Small Businesses | Petites entreprises

- ([FP](#)) On the corporate side, the budget expanded eligibility for the lower nine per cent **small-business corporate tax rate** on the first \$500,000 of active business income by upping the range of taxable capital over which the business limit is reduced, with the new range being \$10 million to \$50 million (up from \$10 million to \$15 million), allowing more medium-sized businesses to be able to claim the lower rate.
- The government has shut down the [non-Canadian-controlled private corporation](#) (CCPC) planning that some taxpayers have been using to avoid paying the additional refundable corporate income tax that they would otherwise pay on investment income earned in those corporations.
- ([G&M](#) + [G&M](#)) Canada's small-business sector may be an important driver of growth, but small businesses and the Trudeau government have had a rocky relationship at times. Against that backdrop, the budget promises small-business owners a new tax break. As it stands, small businesses enjoy a tax rate of 9 per cent on the first \$500,000 of taxable income, whereas the corporate tax rate is 15 per cent. However, once a business's taxable capital reaches \$15 million, it loses access to the lower tax rate. That can discourage businesses from expanding.



- ([CFIB](#)) **Dan Kelly**, president of the Canadian Federation of Independent Business, said, "We congratulate the government for accepting CFIB's long-standing recommendation to raise this threshold to \$50 million, encouraging more small firms to grow to medium-sized. We are also encouraged by the planned review of rollover provisions for small business investments," Kelly said.
- However, "The federal budget ends all COVID support programs, including the **Canada Recovery Hiring Program**, which was meant to help small firms rebuild their workforce in the post-COVID recovery phase. The budget was a missed opportunity to help small firms now facing massive cost increases on virtually every line of their own budgets, including payroll and carbon taxes," says Kelly.

### Innovation | Innovation

- ([The Logic](#)) The government also committed to a review of the **scientific research and experimental development** (SR&ED) tax incentive, assessing whether it's "effective in encouraging R&D that benefits Canada." It is also considering instituting a patent-box regime to ensure ideas generated domestically turn into IP that stays here.
- Startups have long complained about the amount of paperwork involved with accessing SR&ED, [spawning](#) a cottage industry of filing-preparation firms and tech platforms. Canadian innovation-economy executives have also [expressed](#) concern that too much of the money flows to large companies, multinationals or "zombie" businesses that would fail without the annual payouts. The budget promises to reconsider eligibility criteria and simplify the program.
- A patent box would allow firms to pay a lower tax rate on profits from the IP they put in it. Quebec [introduced](#) one in March 2020.

### Canada Disability Benefit | Prestation canadienne d'invalidité

- ([Advisors](#)) The Canada Disability Benefit was [introduced in Bill C-35 on June 22, 2021](#), but the legislation died when Parliament rose. The **Canada Disability Benefit was not mentioned in the budget**.

### Pollution Pricing | Tarification de la pollution

- ([The Logic](#) + [NP](#) + [G&M](#) + [TStar](#) + [EJ](#)) The federal budget proposes a 'generous' tax incentive offering **\$2.6 billion** to companies that deploy **carbon capture, utilization and storage** (CCUS) to capture some of the emissions related to their production.
- The federal government will allow industrial-scale emitters like **oil and gas companies** to write off 50 per cent of equipment costs for CCUS projects, the 2022 budget said. "Direct-air capture" [projects](#), which suck carbon emissions directly out of the atmosphere, are eligible for a 60 per cent credit, and a 37.5 per cent credit will be applied to equipment used for transportation, storage and use. To prompt businesses to begin building the projects sooner, the federal government says the **credits will be cut in half starting in 2031**.
- Conventional oil producers in particular were also disappointed with Ottawa's decision not to extend the credit to projects that capture carbon dioxide for use in enhanced oil recovery (EOR), a process that involves injecting CO2 into existing oil fields to push trapped oil out of the ground. Industry proponents have argued Canada's policy should aim to be competitive with a tax credit in the United States, known as 45Q, which allows companies to earn money for carbon capture projects that include EOR.
- **Kendall Dilling**, interim director of the Oil Sands Pathways to Net Zero initiative, welcomed the CCUS credit in a statement Thursday, saying the Government of Canada has "recognized the importance of developing new technologies to help Canada fight



climate change, as well as the importance of the oilsands to our country's energy security."

- Climate campaigners argue CCUS has so far resulted in negligible emissions reductions, and that using government money to help heavy polluters adopt this technology could actually help the oil and gas sector increase production and ultimately lead to higher global emissions.
- **David Suzuki Foundation** climate director Sabaa Khan said in a Thursday news release that the budget includes an "inherent contradiction in offering a giant tax credit to the very companies fuelling the climate crisis"
- Eddy Pérez at **Climate Action Network Canada** said it is clear Canada "still intends to keep the fossil fuel industry in the driver's seat by giving them expensive tax credits instead of using those funds to invest in a safe, sustainable future."
- **Mike Holden**, chief economist at the Business Council of Alberta, said the CCUS tax credit is positive, but the budget is silent on addressing the regulatory burden for projects that are needed to reach climate change goals, from liquid natural gas pipelines to hydrogen infrastructure.
- "A huge amount of our public dollars are going to make the problem worse," said **Julia Levin**, senior climate and energy program manager with Environmental Defence. "They're simply not treating (climate change) like an emergency."
- Not all environmental groups oppose the measure, however. **Clean Prosperity**, a think tank that promotes policies like carbon pricing, welcomed the tax credit as a "critical driver" of investment in CCUS, predicting this technology will be "essential" to meeting Canada's emissions targets.

#### Cybersecurity | Cybersécurité

- ([CBC](#)) The **Communications Security Establishment (CSE)** is getting \$875.2 million over five years, starting in the 2022/2023 fiscal year, and then \$238.2 million annually "to address the rapidly evolving cyber threat landscape."
- The budget includes money to enhance the agency's abilities to launch cyber operations to prevent and defend against cyber attacks - \$263.9 million over five years starting in 2022-23, and then \$96.5 million annually thereafter, and also sets aside more than \$180.3 million to boost CSE's ability to prevent and respond to cyber attacks on critical infrastructure, such as hydro plants and provincial health authorities.
- The budget includes \$252.3 million to allow CSE to make **critical government systems more resilient to cyberattacks**, and \$178.7 million over five years—starting in 2022-23—to expand cybersecurity protection for small departments, agencies and Crown corporations.

#### Charitable Organizations | Organismes de bienfaisance

- ([FP](#) + [CCL](#)) The two largest changes to the regulation of charities are first some changes to the **disbursement quota** and secondly changes to the rules relating to how Canadian charities can deal with **non-qualified donees** including non-profits that are not charities and foreign charities. There were some limited additional measures relating to transparency which is "nice to see as the issue has been ignored for a couple of decades."
- The **disbursement quota** for charities with "investment assets" under \$1 million will remain at 3.5%. For charities with "investment assets" over \$1 million, it will increase from 3.5% to 5%. However, this only applies to charities that have over \$1 million; will only be effective in 2023; and will only apply to the portion of the "investment assets" over \$1 million and not the amount below. This does not seem to count "assets" only "investment assets".
- Certain charities can apply to the CRA to request that the already very low DQ be further lowered in a tax year. It should be noted that there are no articulated standards for when



CRA would agree to such discretionary relief. The budget reads, "In addition, to improve transparency with respect to charities that have a reduction to their DQ, Budget 2022 proposes to allow the CRA to publicly disclose information relating to such a decision."

- The Budget also announces that "the Canada Revenue Agency will also improve the **collection of information from charities**, including whether charities are meeting their disbursement quota, and on information related to investments and donor-advised funds held by charities."
- ([LPRAB](#)) Under the *Income Tax Act* (ITA), registered charities are limited to devoting their resources to charitable activities they carry on themselves or providing gifts to **qualified donees**. Where charities conduct activities through an intermediary organization (other than a qualified donee), they must maintain sufficient control and direction over the activity such that it can be considered their own. Budget 2022 proposes a number of changes to improve the operation of these rules. Effective on Royal Assent, Budget 2022 proposes to extend an existing provision in the ITA, which currently applies to registered Canadian amateur athletic associations and registered journalism organizations, to registered charities. This rule would prohibit registered charities from accepting gifts which were intended for a person other than a qualified donee.

### Cryptocurrency

- ([BNN](#) + [CBC](#)) The federal government is launching a financial sector legislative review of the "**digitalization of money**," including taking a closer look at digital currencies including crypto and how it fits into financial sector stability and security.
- Popular online crowdfunding platforms and their payment processors will soon have to report suspicious transactions to Canada's money laundering and terrorist financing watchdog (FINTRAC). The policy change, outlined in Thursday's budget, comes in the wake of the anti-vaccine mandate convoy protest that paralyzed downtown Ottawa for three weeks and blocked several border crossings.
- To allow FINTRAC to add **crowdfunding platforms** and payment processors to its workload, the budget plans to provide it with an extra \$89.9 million over five years and \$8.8 million ongoing - a 24 per cent increase in funding and a 13 per cent increase in staffing.
- "This increased capacity will enable FINTRAC to implement new **anti-money laundering** and anti-terrorist financing requirements for crowdfunding platforms and payment service providers; support the supervision of federally regulated financial institutions; continue to build expertise related to virtual currency, modernize its compliance functions; and update its financial management, human resources, intelligence and disaster recovery systems," the government wrote.

### QUALIFIED CANADIAN JOURNALISM ORGANIZATION

- ([SW](#)) On Tuesday, the federal government introduced the [Online News Act](#), which ensures fair revenue sharing between digital platforms and news outlets.
- This model was first enacted by Australia in 2021. It creates a system of "binding arbitration" for news organizations and Big Tech platforms (e.g. Google, Meta, etc.) to come to agreements on fair compensation for content produced by journalists.
- In Canada, the **Canadian Radio-television and Telecommunication** (CRTC) will be the regulator of this process and any news organization deemed a **Qualified Canadian Journalism Organization** (QCJO), an arm's-length eligibility system, administered by the **Canada Revenue Agency** (CRA), [set up by the government](#) in 2019, will be eligible for this remuneration.
- Meanwhile, *Canadaland* noted in a [thread](#) on Twitter that **Rebel News** is [turning to the courts](#) after CRA determined that the organization was not eligible for designation as a



QCJO as it does not satisfy all of the conditions set out in the definition of a QCJO in subsection 248(1) of the *Income Tax Act*.

## COVID-19

- ([CTV](#)) Businesses across Canada are struggling to cope with an apparent sixth wave of COVID-19, as staffing shortages hamper sectors from health care to hospitality and retail sector though the interruption remains more manageable than last winter's Omicron variant surge.
- **Ryan Mallough**, a senior director with the **Canadian Federation of Independent Business**, says retailers, gyms and event spaces are taking yet another hit as workers fall ill or steer clear of those sectors altogether, fearing further lockdowns.
- ([CBC](#) + [CBC](#)) Ottawa continues to break daily and weekly COVID-19 wastewater records, but **Tyson Graber**, co-lead investigator of the COVID-19 wastewater project in Ottawa, says that doesn't mean there are more people infected. He said it is "really difficult to equate wastewater data to the number of cases because that equation changes or is expected to change between variants." Still, Graber said the lack of public health restrictions coupled with rising levels of COVID-19 is a cause for concern.
- At the same time, Virologist Earl Brown says this wave of COVID-19 is worse than expected, but he adds there is still hope infections won't be as severe as past waves.

## Parliamentary Affairs | Affaires parlementaires :

- Parliament will be recessed for the weeks of April 11 and April 18, returning on Monday, April 25, 2022.

## Media | Médias sociaux :

- Yesterday (April 7, 12:00 a.m. – 11:59 p.m.) we received 76 messages. This is below the April 2021 daily average of 111. Most messages were received via Facebook.
- Today we posted about:
  - The Canada Workers Benefit eligibility criteria
  - Tips on protecting yourself from scams and fraud
  - Adding an email address to My Account to improve the security of your personal information
- We responded to questions and comments regarding:
  - How to access our online tax learning tools
  - Error codes when applying for COVID-19 benefits
  - Receiving GST payments
  - Issues with My Account security codes
  - Selling a principle residence

## Other | Autre :

## SOCIAL MEDIA / MEDIA & STAKEHOLDER TWEETS

- Media and stakeholder tweets that drew attention to articles and issues of interest to the CRA.
- Most tweets today include stakeholder reactions to Budget 2022.





**Erica Alini**  @ealini

39s

From a new tax-advantaged account to save for a down payment to lower taxes on low-alcohol beer -- 13 ways in which [#budget2022](#) may affect your pocketbook [#cdnpoli](#): [theglobeandmail.com/canada/article](https://theglobeandmail.com/canada/article)

...



**Canadians for Tax Fairness** @F... 35m

GOOD NEWS: We are happy to see that [#Budget2022](#) imposes 1-time 15% surtax on banks and life insurance companies, on taxable income above \$1 billion, and long-term imposes a 1.5% increase on the same companies for any income above \$100 million. A good first step.



**Canadian Labour** @CanadianLab... 52m

Canada's unions welcome a \$5.3B investment in dental care that will give coverage to millions of Canadians – because everyone deserves a healthy smile 🦷  
[#BudgetWatch22](#) [#canlab](#)



**CPA Canada** @CPAcanada

3m

We're encouraged by the lower deficits and the commitment to spending reviews. We'd like to see greater fiscal discipline and accountability over the long-term by adopting a fiscal anchor framework to better manage government expenditures and Canada's debt and deficit



**The CCPA**  @ccpa

26m

"Today's federal commitment to create a national dental care program will help millions of Canadians, but many key areas like long-term care and pharmacare are missing in action."





**Canada's National Observer ...** 57m

The biggest extension to health care in [#Budget2022](#) is a national dental care program that went from obscurity to policy in a matter of months thanks to the Liberal-NDP agreement, writes [@DavidMacCdn](#) of [@ccpa](#). [#DentalCare](#) [#cdnpoli](#)



**Hotel Association CA** [@hotelassoc](#) 1h

HAC is pleased to see some very important announcements on labour and housing included in [#Budget2022](#). More details coming soon.



**Dan Kelly** [@CFIB](#) 1h

Despite promises in the 2019 election & 2021 budget, no progress has been made in reducing credit card processing fees (just more consultation). As these fees go to largely to banks, it appears more bank tax revenue for govt was prioritized over promised fee relief for small biz.





**The Tourism Industry Associat...** 37s

Statement from the Tourism Industry Association of Canada (TIAC) on the 2022 Federal Budget. 🇨🇦 View the Budget here:

[budget.gc.ca/2022/home-accu....](https://budget.gc.ca/2022/home-accu....)



**Bill Curry**



@curryb

16m

Some in the lockup were surprised to see this chart on p. 25 of the budget. Business groups have been using this OECD data to argue Canada is not doing enough to promote growth. "Most Canadian businesses have not invested at the same rate as their U.S. counterparts," budget says.



**Broadbent Institute**



@broadb... 1m

Here is the money the feds are leaving on the table by not having corporations and the richest pay their fair share, according to the @PBO\_DPB. Today's announcements are welcome, but we hope they're just the start. #budget2022 #wealthtax #taxtherich



**Canadians for Tax Fairness** @Fa... 2m

[#Budget2022](#): big win for transparency with a public and searchable beneficial ownership registry; small steps in right direction on corporate taxation; unimpressive on addressing root causes of the housing crisis, or extreme wealth inequality.



**john stac...** @Stackhou... · 3m ...

One of the most important bits of [#budget2022](#) analysis sits at the bottom of this very good piece. Finance is counting on a 25% increase in productivity—less clear on how. Without it, much of the rest wobbles. [@PatrickBrethour](#)



**Daniel Germain** @daniel\_germain 1h

Je ne veux pas être rabat-joie, mais le CELIAPP était-il vraiment nécessaire? Aidera-t-il plus de gens accéder à la propriété? J'ai un gros doute. 🤔💡  
[@JdeMontreal](#) [@JdeQuebec](#)  
[qub.ca/article/ce-com...](http://qub.ca/article/ce-com...)

2 9



👇 Jane Stewart, MP Retweeted



**National ...**  @national... · 13h ...

Terence Corcoran: Liberal budget has  
Canada roaring backwards



financialpost.com

Terence Corcoran:  
Liberal budget has ...



103



241



739



**David Akin**   @davidakin 15h

My prediction: This will be very very popular.

Unlike the TFSA, this home savings account is tax-free when the money goes in and tax-free when it comes out.

Max yearly contribution: \$8,000/per tax filer to a lifetime contribution limit of \$40,000.



**Blacklock's Reporter** @minding... 16h

Feds propose \$15M tax on house flippers, adopt Conservative proposal for two-year ban on foreign offshore real estate speculators.

[blacklocks.ca/govt-to-tax-ho...](https://blacklocks.ca/govt-to-tax-ho...)

#cdnpoli



**Pierre-Yves McSween** @PYMcsw... 11h

Le RAP va mourir de sa belle mort d'ici quelques années. Peu de gens voudront cette contrainte, alors que le CELIAPP ne force pas au remboursement du capital sur 15 ans.

37 19 196 ...



**Alex Boutilier** @alexboutilier 10h

Microsoft says it disrupted cyber attacks by Russia-backed hacking group [ft.com/content/c45cbc...](https://ft.com/content/c45cbc...) via

@FinancialTimes

Amy-Lee Parent

Analyste des médias | Media Analyst

Surveillance des médias, Direction générale des affaires publiques | Media Monitoring, Public Affairs Branch

Agence du revenu du Canada, Gouvernement du Canada | Canada Revenue Agency, Government of Canada