

Legal Affairs Update

November 2022

Introduction

The CCCC Legal Department works diligently to advocate for outcomes that we believe are necessary for a robust and healthy charitable sector. Our aim is to ensure there is a favourable environment for faith-based charities to operate in, but we always have a view to what is good for the sector as a whole.

In our June 2022 update, we noted several critical issues that are ongoing today. Below, you'll find out how we've been representing you in the sector.

Advocacy and Communication

Charitable Status

We continue to be active regarding [federal challenges to charitable status](#). The [proposed amendments](#) to the *Income Tax Act* would make “anti-abortion organizations that provide dishonest counselling to pregnant women” ineligible for charitable status. We have been abundantly clear that dishonest conduct is not acceptable and that the government already has all the tools it needs to address issues of dishonesty. The proposal is an unwarranted politicization of charitable status that puts all charities at risk. CCCC is not alone in our concern – others, including [Imagine Canada](#), have adopted the same position.

CCCC has sent several letters to cabinet ministers, made the Department of Finance aware of our concerns, met with other stakeholder organizations, and prepared material for members who wanted to actively engage with policymakers on the issue.

What's happened? If you're wondering what happened to those letters, we can say with confidence that government decision-makers received and discussed the letters. In a recent Access to Information Package (ATIP), internal correspondence confirms that “the Minister of Finance received a copy of the correspondence.” It also confirms that while the Minister of National Revenue would not respond (primary responsibility belongs to the Minister of Finance), it was nonetheless circulated within the Canada Revenue

Agency. Though we did not receive a formal response, the concerns and questions we raised were received by the appropriate governmental bodies.

What we are doing: We are making a new ATIP request to follow up on the already-released documentation. We know there have been discussions around the concept of dishonesty ([more from CCCC on that here](#)) and think it is important to know what other developments have taken place. We continue to meet with other stakeholder groups and are preparing additional correspondence should the government choose to move ahead with its proposed amendments.

Select Luxury Items Tax

At first, this might seem odd: what does luxury tax have to do with charities? Well, sometimes charities need expensive tools to engage in their activities and accomplish their purposes. Think of airplanes, and how some charities use aircraft to reach otherwise unreachable (or extremely difficult to reach!) communities for the purposes of education, health care, advancing religion, community development, and more. Right now, the luxury tax has given no thought to exempting charities from this tax.

What we are doing: We have reached out to government departments for clarity and will be following up with the CRA's Luxury Tax Group. We will raise this concern and highlight the need to exempt charities who make these purchases for use in their charitable activities.

Court Interventions

You may sometimes wonder about the impact of a court intervention. Does it really matter? The recent decision of [Huo v. Mississauga Chinese Christian Church](#), 2022 ONSC 3107 is a case in point. It followed the Supreme Court of Canada decision in *Aga v Ethiopian Orthodox Tewahedo Church of Canada*, 2021 SCC 22, a case in which [CCCC intervened](#). The *Huo* decision reiterated that courts are limited to reviewing whether membership decisions were lawfully made under a church's bylaw and were procedurally fair. Interventions are important, not only as they relate to the immediate case, but for the subsequent interpretation of the law.

Government Consultation

As we mentioned in our June update, our seat on Canada Revenue Agency's [Technical Issues Working Group](#) was again renewed for a two-year term. This group meets to discuss forthcoming guidance and existing documents, challenges, and successes with CRA programs and platforms, and to raise emerging or long-standing issues that need attention. We have participated in four meetings this year (January, April, July and October) and have been able to reflect members' concerns and experiences in those discussions.

Research & Writing

We also actively engage the legal sector through Ontario Bar Association (OBA) Section Executives: the Charity and Not-for-Profit section, where Deina now serves as Secretary; and the Constitutional, Civil Liberties and Human Rights section, where Deina now serves as Newsletter Editor. What does that look like? You can read more about a recent [Professional Development program on the Ontario Not-for-Profit Corporations Act](#) that Deina co-chaired.

And what of that co-authored paper we mentioned in June? This paper highlights the importance of freedom of conscience, particularly for physicians facing the legalization/expansion of medical assistance in dying (euthanasia). The manuscript that includes this paper was submitted for publication in late August. We'll be sure to update you when it's published.

Thank you for taking the time to read our Legal Affairs Update. Your membership with CCCC helps to protect our strong voice in the sector!

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