



THE CANADIAN  
BAR ASSOCIATION  
L'ASSOCIATION DU  
BARREAU CANADIEN

April 26, 2022

Via email: [chrystia.freeland@fin.gc.ca](mailto:chrystia.freeland@fin.gc.ca)

Chrystia Freeland, P.C., M.P.  
Deputy Prime Minister and Minister of Finance  
90 Elgin Street  
Ottawa, ON K1A 0G5

Dear Minister Freeland:

**Re: Support for the adoption of Bill S-216 Effective and Accountable Charities Act**

I am writing on behalf of the Canadian Bar Association's Charities and Not-for-Profit Law Section (CBA Section) to endorse an open letter dated March 28, 2022, signed by charity law lawyers (see attached) which supports the adoption of Bill S-216, *Effective and Accountable Charities Act*,<sup>1</sup> and its proposed amendments to the *Income Tax Act*.

The CBA is a national association of over 36,000 lawyers, law students, notaries and academics, and our mandate includes seeking improvement in the law and the administration of justice. The CBA Section consists of members who practice in all areas of charities and not-for-profit law and in every size of practice.

In the open letter, charity law lawyers advocate for legislative and regulatory reform to eliminate the "own activities" requirement that applies to registered charities under the *Income Tax Act*, and for ending the corresponding "direction and control" regime administered by the Canada Revenue Agency (CRA). This regime currently applies when registered charities seek to work with third parties to carry out charitable programs.

Bill S-216, introduced in the Senate on November 24, 2021, is carefully drafted and addresses these issues. We believe the legitimate need for accountability and transparency on the use of charitable dollars can be met more efficiently through an "expenditure responsibility" framework, consistent with other sophisticated charity law regulatory regimes in countries such as the US and the UK.

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<sup>1</sup> See Effective and Accountable Charities Act: [online](#)

The CBA Section would welcome the opportunity to meet with you or one of your Directors to further discuss these issues.

Yours truly,

*(original letter signed by Julie Terrien for Elizabeth Moxham)*

Elizabeth Moxham  
Chair, CBA Charities and Not-for-Profit Law Section

cc: Senator Ratna Omidvar ([ratna.omidvar@parl.gc.ca](mailto:ratna.omidvar@parl.gc.ca))  
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