



RESPONSE TO PETITION

Prepare in English and French marking 'Original Text' or 'Translation'

PETITION NO.: **421-03777**

BY: **MR. DUSSEAULT (SHERBROOKE)**

DATE: **MAY 15, 2019**

PRINT NAME OF SIGNATORY: THE HONOURABLE DIANE LEBOUTHILLIER, MINISTER OF NATIONAL REVENUE

Response by the Minister of National Revenue

SIGNATURE

Minister or Parliamentary Secretary

SUBJECT

Income Tax System

ORIGINAL TEXT

REPLY

The Canada Revenue Agency (CRA) extends its thanks to the petitioners for expressing their views with respect to income tax system.

With respect to the registration and oversight of charities, the CRA registers Canadian charities, and is responsible for making sure they continue to comply with the requirements of the *Income Tax Act* and common law. As an independent regulator, the CRA is committed to protecting and maintaining the integrity of the charitable sector through a balanced approach of education, client service and responsible enforcement. The CRA's Charities Directorate works and makes decisions regarding a Canadian charity's status independently from the Minister of National Revenue.

Charities play an important role in our society and provide valuable services to Canadians. Although registration as a charity provides many privileges, charities must follow the rules to take advantage of these privileges. The CRA has the responsibility to protect the integrity of Canada's tax system and the charitable sector by making sure that all registered charities follow these rules.

The confidentiality provisions of the *Income Tax Act* ("the Act") prevent the CRA from commenting on specific cases. As a result, CRA officials cannot confirm or deny whether a registered charity is currently under audit, has been selected for audit, or has previously been audited. The CRA's actions can only be made public when an audit results in charitable registration being revoked, annulled, or suspended, or when a charity is penalized.

The CRA posts such cases at canada.ca/charities-list. This list provides transparency to taxpayers regarding the CRA's decisions with respect to charities.

The CRA takes the abuse of Canada's tax laws seriously and encourages members of the public or members of a registered charity to contact the CRA's National Leads Program if they are concerned that a registered charity is not complying with the provisions of the Act. This program reviews all leads the CRA receives to determine if there is non-compliance with the legislation it administers. Information is available at canada.ca/taxes-leads.