

c/o Charities Directorate Canada Revenue Agency Ottawa, Ontario K1A 0L5

Re: Political Activities Consultation

Dear Agency Officials,

Thank you for the opportunity to provide our recommendations on the importance of charities being able to participate in the democratic process and help shape public policy priorities for Canadians.

Charities and nonprofits play a critical role in Canadian society and are a foundation for the health and vibrancy of local communities. Child welfare services, the integration of people with disabilities into community life, hospices for end-of-life care and reductions in acid rain are some of the many services, laws and regulations provided by government today that were shaped by local charitable organizations with their perspectives and on-the-ground knowledge.

This role requires charities to engage in "political activities" to help shape the policy and laws that impact their work with the people and the communities they serve. It is all the more important because no other for-profit or nonprofit group is restricted in its participation, whether it seeks to advance either the public interest or private and commercial interests. Arbitrarily placing restrictions on charities as a sector is not in the public interest; this is especially so for a sector that exists to promote public benefit.

ONN supports <u>Imagine Canada's submission</u> to the Canada Revenue Agency and its recommendations that:

- 1. The *Income Tax Act* should be amended to restore an emphasis on charitable purposes, rather than regulating how charities achieve those purposes (activities).
- 2. These initial amendments to the Income Tax Act to focus on charitable purposes are a short-term solution to address the limitations on political activity and must be seen as only a prelude to broader legal and regulatory reform for the charitable and nonprofit sector.
- There should be clarification of the definitions and scope regarding "partisan political activity" so that we can be more confident in engaging in our work.

Imagine Canada includes more detailed recommendations regarding the amending and clarifying of existing guidance on political activities. While we are supportive of its thrust, we strongly urge the government to make the changes to the *Income Tax Act* as a first priority and not to waste time revising current definitions.

Thank you very much for allowing us this opportunity to participate. We encourage the federal government to ensure that regulation governing the charitable sector provides an enabling environment for it to serve its communities.

Sincerely,

Cathy Taylor

Executive Director, Ontario Nonprofit Network

The Ontario Nonprofit Network's (ONN) vision is to support thriving communities and a dynamic province through a strong and resilient nonprofit sector. We are the provincial network for the 55,000 nonprofit organizations across the province of Ontario. ONN brings the diverse voices of the sector to government, funders and the business sector to create and influence systemic change. ONN activates its volunteer base and the network to develop and analyze policy, and work on strategic issues through its working groups, engagement of nonprofits and charities and government.

cc: The Honourable William Francis Morneau, Minister of Finance
The Honourable Diane Lebouthillier, Minister of National Revenue