

# Legal Affairs Update

## November 2023

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### Introduction

Thank you for your continued support as a CCCC member. We look forward to receiving your membership renewal and continuing the momentum of our ministry partnership in 2024. We are truly grateful to you.

In a world that's increasingly complex, diverse, and secular, your ministry's work becomes vital. But it can take more than goodwill to navigate the myriad legal and ethical challenges faith-based organizations face today. That's where the CCCC legal department comes in.

Over the past year, our Legal Department has engaged in pivotal discussions surrounding *Income Tax Act* amendments and Canada Summer Jobs consultation, addressing local concerns and monitoring court decisions that impact our sector. We also keep track of changes in law, trends, and court decisions that may impact our community. This effort is to help support you from potential difficulties and ensure you're well-represented, fairly treated, and well informed.

None of this would be possible without your support. Every contribution to the Legal Defence Fund strengthens our ability to advocate for Christian charities. Supporting us means supporting a robust foundation for your ministry and countless others, which collectively play such a pivotal part in bettering our society.

We encourage you to make a special contribution today at [www.cccc.org/legal\\_defence\\_fund](http://www.cccc.org/legal_defence_fund). We invite you to read our Legal Affairs Update below to learn more about our work in the sector.

### Advocacy and Communication

Over the past few months, we've engaged with and responded to a variety of issues, some of which you, our members, have brought to our attention—thank you! While we do our best to monitor the entire nation for important developments, we are so appreciative of your insights and awareness. Some of the issues we've responded to include:

#### Trust Reporting

**UPDATE:** Shortly after we released our November Legal Affairs Update, CRA confirmed that charities do not have to file T3 returns for internal trusts. We were very pleased to see CRA respond to the concerns that CCCC and many others expressed over this issue. For more, see our blog post, [Charities Do Not Have to File T3 Returns for Internal Trusts](#).

As a result of amendments to the Income Tax Act from Bill C-32 that narrow the exceptions for trust reporting, questions were raised about whether and how it could apply to charities' internally held trusts. We wrote letters in July and October; and met with other key stakeholders to discuss concerns, priorities, and strategies.

### **Canada Summer Jobs Consultation**

In response to a call for input, the CCCC made written submissions to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. The Committee is studying the Canada Summer Jobs wage subsidy program for ways it could be modified to improve funding and flexibility for applicants. CCCC emphasized the need for flexibility, consistency, and fairness for religious applicants.

### **CRA's Religious Literacy Training**

In response to a report from the Federal Office of the Taxpayers' Ombudsperson, the Canada Revenue Agency agreed with some of its recommendations and plans to implement religious literacy training for its staff. CCCC is gathering perspectives from members to share with CRA to enhance the Directorate's understanding of religious charities, sharing important insights from Christian charities.

### **Local Issues**

There have been some concerning developments in a few municipalities across the country. We wrote to the St John's, Newfoundland City Council outlining many concerns regarding its decision to exclude groups from renting public spaces for the purpose of religious activities. We also wrote to Tiny Township in Ontario, as it is urging the provincial government to amend legislation so municipalities can have more flexibility to assess property taxes against religious organizations. And we're looking into developing issues around property tax exemptions in BC.

### **Issue Monitoring: Courts Decisions & Legislation**

One of our important behind-the-scenes jobs is to monitor court decisions and new legislation, both federally and provincially. For court decisions, we regularly add summaries to our Knowledge Base to set out the key issues, legal analysis, and how it impacts you. For example, we closely reviewed the *Muslim Association of Canada v AG* decision, which alleged Charter violations (including religious freedom) in Canada Revenue Agency's audit process, and *Grassroots v His Majesty the King*, in which an Ontario coalition of Jewish parents and groups were allowed to proceed with a constitutional challenge of funding for private religious schools.

In recent weeks, the Senate introduced Bill S-279, which would require charities to report on the diversity of their directors, trustees, officers, and like officials. Failure to do so could trigger a deregistration process. We're currently reviewing the Bill to discern its potential impact on charities, particularly religious charities, and the best way to meaningfully respond to the bill.

### **Ongoing Government Consultation**

We continue to participate in the Canada Revenue Agency's Technical Issues Working Group (TIWG), which 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. Our next meeting takes place later this month, November 2023.

## Publication Update

If you read our June update, you might remember that Deina has co-authored a book chapter entitled, “The Importance of Conscience as an Independent Protection” which is part of a collection entitled *Medical Assistance in Dying (MAID) in Canada: Key Interdisciplinary Perspectives*, and has finally been 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! To make a special contribution to the Legal Defence Fund, please go to: [http://www.cccc.org/legal\\_defence\\_fund](http://www.cccc.org/legal_defence_fund) and to stay informed on developments, subscribe to the CCCC Blog at [www.cccc.org/news\\_blogs/author/ccc/](http://www.cccc.org/news_blogs/author/ccc/).