

Imagine Canada pleased with federal budget measures relating to charities

Ottawa, February 11, 2014 – Imagine Canada, the national umbrella for Canadian charities, is pleased with a number of measures announced in today's [federal budget](#). The budget emphasizes the federal government's belief *"that the charitable sector plays an essential and irreplaceable role in our society by providing valuable services to Canadians, including to those most in need,"* and proposes a number of initiatives that will benefit charities.

"We are very pleased that the federal government is expanding eligibility to Mitacs programs for charities and nonprofits, providing access to highly-skilled graduate and postgraduate students and researchers," said Imagine Canada President and CEO Marcel Lauzière. *"This was our top recommendation during pre-budget consultations and will help charities benefit from cutting-edge talent and create greater awareness among young Canadians of career opportunities in the sector."*

The budget announced a number of measures that respond to some of the key recommendations made during the Finance Committee's hearings on Incentives for Charitable Giving, and subsequent proposals made by Imagine Canada and other charities. These measures, which will reduce administrative costs and burdens for charities while encouraging increased giving, include:

- electronic filing of registration information and annual financial returns;
- reforming the Criminal Code to allow charities to use computer technology to run lotteries, saving millions of dollars a year in administrative costs;
- doubling the period during which tax credits for the donation of ecologically sensitive lands can be used by donors; and,
- greater clarity and flexibility for trustees of estates to maximize charitable donations from those estates.

The budget does not impose any new requirements or restrictions on political activities carried out by charities. The budget includes a proposed measure to restrict charities from accepting donations from foreign governments (or agencies thereof) identified as sponsors of terrorism, and we have confirmed that this will not impose any new administrative requirements or costs.

"Today's budget does recognize the vital role played by charities in Canadian society. We see this as setting the stage for further investment by the federal government once the budget is balanced," said Lauzière. *"A number of sensible, low-cost reforms announced today will help to reduce red tape and administrative costs for charities. Progress has been made on a number of the recommendations made by the Commons Finance Committee regarding charitable giving, and we look forward to action next year on the most important investment identified by charities, the [Stretch Tax Credit for Charitable Giving](#)."*

Imagine Canada also looks forward to contributing to the ongoing consultations with the nonprofit and private sectors announced in the budget to explore the potential for social finance initiatives to generate more capital for social investment and innovation.

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The budget proposes consultations regarding the tax status and transparency of nonprofit corporations. While registered charities and registered Canadian amateur athletic associations are not a subject of the discussion, Imagine Canada will want to closely monitor these consultations to ensure that nonprofits' ability to access resources and conduct their work effectively is not negatively affected.

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Imagine Canada is a national charitable organization whose cause is Canada's charities and nonprofits. We support and strengthen charities and nonprofits so they can, in turn, support the Canadians and communities they serve.

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