



News Release

The Canada Revenue Agency issues new guidance for charities on fundraising

Ottawa, Ontario, July 09, 2009... The Honourable Jean-Pierre Blackburn, Minister of National Revenue and Minister of State (Agriculture and Agri-Food), announced the Canada Revenue Agency's (CRA) new guidance on fundraising.

As the federal regulator for charities, the CRA has developed guidance on fundraising to support registered charities to comply with reporting requirements related to fundraising, and encourage them to self-assess their fundraising activities.

"The new guidance on fundraising continues the CRA's commitment to ensuring registered charities understand and comply with their obligations under common law and the *Income Tax Act*," said Minister Blackburn. "It aims to enable organizations to meet their legal obligations while implementing their fundraising activities in support of their charitable purposes."

The development of the guidance on fundraising is based on consultations with stakeholders and a public consultation process that provided considerable feedback. All comments received were given careful consideration and, in response, the CRA has clarified its position in a number of areas.

The CRA will monitor the implementation of the guidance over the coming year and a review will be conducted in 2010 to determine whether additional revisions are warranted.

"Imagine Canada, the Association of Fundraising Professionals, and the Health Charities Coalition of Canada appreciate the lengths to which the Charities Directorate of CRA went to solicit views of charities as it developed its guidance," said Marcel Lauzière, President and CEO of Imagine Canada. "We recognize the importance of charities and the Canadian public understanding how the CRA assesses fundraising in the context of the laws governing registered charities. We will look forward to working with the Charities Directorate as this guidance continues to evolve over time," added Mr. Lauzière.

The new guidance on fundraising describes the treatment of fundraising under the *Income Tax Act*, explains how to distinguish between fundraising and other expenditures, and clarifies how to classify and report activities intended both to raise funds and advance charitable programming. The guidance also explains when fundraising activities may preclude registration or may result in revocation of registration. The guidance is available on our Web site at <http://www.cra-arc.gc.ca/tx/chrts/pley/cps/cps-028-eng.html>, or call 1-800-267-2384.

Fundraising is an important tool for charities. Registered charities are encouraged to refer to the guidance when they plan and make decisions related to their fundraising activities. The CRA also encourages charities to evaluate their own fundraising based on the criteria set out in the guidance. For more information, visit our Web site at www.cra.gc.ca/charities.



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