October 2, 2017

The Honourable William F. Morneau
Minister of Finance - House of Commons
Parliament Buildings
Ottawa, ON K1A 0A6

Re: July 18, 2017 Department of Finance Consultation: Tax Planning Using Private Corporations

Dear Minister Morneau:

We are writing in response to the Paper noted above and its proposed tax changes that will affect Canadians across the country.

The Canadian Association of Gift Planners is a national, non-profit organization whose mission is to champion the growth and development of strategic charitable gift planning in Canada. We are the only Canadian professional association that convenes fundraisers and professional advisors, and our 1,200 members in 20 local Chapters throughout Canada are experts with specialized skills to support donors to achieve personal philanthropic goals. Cornerstone to our mission is being a voice for the charitable sector, and advocating for a beneficial tax and legislative environment that supports charitable giving.

In the past month, several members have contacted our organization to express concern with many of the proposed tax changes as outlined in the Paper. Although the Paper does not directly propose any specific changes to tax legislation related to charitable donations, there are several areas, which may have the effect of reducing a donor’s ability or desire to make charitable gifts. These provisions include changes to capital dividend accounts as noted in the proposed Section 246.1 and the sale of publicly traded securities within a private company derived from passive income.

Since the 1990’s, the Canadian Association of Gift Planners has played a key role in working with both the Department of Finance and the Canada Revenue Agency to advocate for the charitable sector as well as providing technical expertise on the impact of proposed tax legislation. We would be please to provide any assistance the Government of Canada as these consultations move forward to possible draft legislation and changes to the Income Tax Act.

Yours very truly,

Amanda Stacey
Chair of the Board of Directors

Grant Monck
Chair, Government Relations Committee