



April 29, 2022

Mr. Marty Morantz, M.P.
House of Commons
Ottawa, ON K1A 0A6

Dear Mr. Morantz,

Thank you for championing important legislation in support of the charitable sector.

We are writing on behalf of the Association of Fundraising Professionals (AFP) Canada to offer our support for Bill C-240, an Act to amend the Income Tax Act (donations involving private corporation shares or real estate). We appreciate your efforts to bring this important opportunity to Parliament, and your continued work with the parties in the House to seek passing of this legislation.

Canadians are among the most generous in the world, yet giving reported on tax forms has continued to decline for decades. As a result of these declines, charities find themselves supported by fewer generous individuals every year. To address this decline, charitable giving incentives must continue to evolve to help attract supporters who can make a significant impact on communities in Canada.

By eliminating the capital gains tax on gifts of private shares and real estate, Canada will equalize the treatment of private assets within the Income Tax Act, aligning the tax treatment of these gifts to be similar to that of publicly traded securities. It has been estimated that the immediate impact on charities in the first years would be in excess of \$200 million. Many real estate assets and private shares are in the hands of Canadian seniors, who are the most generous segment of our population. This incentive may help these generous people make an even larger impact.

This new giving incentive will result in tax savings for donors of approximately \$60 million, a fraction of the \$200 million in anticipated new giving. When charities receive funds, they are reinvested into communities across Canada through organizations and community foundations,

helping to build new hospitals, supporting scholarships, delivering lifesaving research, or simply building a playground. Charitable giving incentives like this help ensure the Government of Canada is a partner in each community effort; truly a nation helping neighbour initiative.

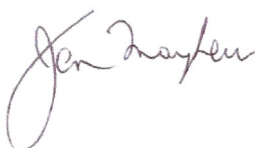
AFP Canada welcomes this proposed modernization of the Income Tax Act at this critical time as the sector recovers from the severe impact of the pandemic, and as people across Canada depend on the programs delivered by the charitable sector more than ever.

We are writing this letter in support of your efforts and to encourage Parliament to adopt this important legislation to facilitate greater charitable giving. When passed, these measures can truly improve the prospect for an equitable recovery from the pandemic by increasing the capacity of charities to impact those they serve, and make more funds available to the sector.

We will share this letter of support with over 3,200 AFP members across the country, so they know about the important work being done to secure a strong future for the people of Canada.

Thank you for putting the charitable sector on your parliamentary agenda.

We welcome any questions regarding this letter.



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cc: The Honourable Chrystia Freeland, P.C., M.P. Deputy Prime Minister and Minister of Finance
3,200 AFP members in Canada