



Federal Legislation Update

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A number of important Federal government legislative measures over the last month continue to have an impact on the charity and not-for-profit sector. A brief update on some of these measures is set-out below:

Notice of Ways and Means Motion

On April 22, 2013, a detailed Notice of Ways and Means Motion was tabled to implement certain tax measures in the Economic Action Plan 2013, including changes to the *Income Tax Act* to implement the non-refundable First-Time Donor's Super Credit proposed in the 2013 Budget (See CRA News above). For more information, see <http://www.fin.gc.ca/n13/13-062-eng.asp>.

Bill C-48, Technical Tax Amendments Act 2012

The House Standing Committee on Finance has presented its report on *Bill C-48, Technical Tax Amendments Act 2012* and the Bill will now proceed to third reading. The Bill includes proposed amendments to the *Income Tax Act* on various matters, including split receipting, that were first proposed back in December of 2002, but have not been passed to date.

More commentary of the proposed amendments can be found in the October 2012 *Charity Law Update*: <http://www.carters.ca/pub/update/charity/12/oct12.pdf>.

The Bill can be accessed online at:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=5852716>

Bill S-14, Fighting Foreign Corruption Act

Bill S-14, Fighting Foreign Corruption Act received third reading in the Senate on March 26, 2013 and first reading in the House of Commons on March 27. The Bill now awaits second reading in the House of Commons.

For information on how this legislation could hinder charities and not-for-profits that deliver humanitarian aid in foreign countries, see the February 2013 *Charity Law Update*: <http://www.carters.ca/pub/update/charity/13/feb13.pdf>.

Status of the Bill can be monitored at:

<http://www.parl.gc.ca/LegisInfo/BillDetails.aspx?Language=E&Mode=1&Bill=S14&Parl=41&Ses=1>

Bill C-458, the National Charities Week Act

Bill C-458, the National Charities Week Act, is yet to receive second reading but was debated in the House of Commons on March 19, 2013, with parties from both sides of the House showing support. The Bill proposes making the last week of February each year National Charities Week and amending Canada's *Income Tax Act* to extend the deadline for people claiming charitable gifts for tax purposes by 60 days from year end to match the deadline for RRSP contributions.

For more information on the Bill, see the November/December 2012 *Charity Law Update*: <http://www.carters.ca/pub/update/charity/12/novdec12.pdf>

The Bill's status can be monitored at:

<http://www.parl.gc.ca/LegisInfo/BillDetails.aspx?Language=E&Mode=1&billId=5794262>

Report on Canada's Anti-Money Laundering and Anti-Terrorism Regime

The Senate Standing Committee on Banking, Trade and Commerce released in March 2013, its report on the five year Parliamentary review of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. The Committee's report is entitled *Follow the Money: Is Canada Making Progress in Combating Money Laundering and Terrorist Financing? Not Really* and includes 18 recommendations on how to improve Canada's anti-money laundering and anti-terrorism regime.

The report is available at:

<http://www.parl.gc.ca/Content/SEN/Committee/411/banc/rep/rep10mar13-e.pdf>

Bill S-7, Combating Terrorism Act

Bill S-7, Combating Terrorism Act received third reading in the House of Commons on April 24, 2013 and received Royal Assent on April 25, 2013. The Act will make leaving Canada to commit a terrorist crime in another country a criminal offence, grants extra power to the police by permitting law enforcement agencies to preventatively detain suspects for up to 72 hours to avoid an imminent terrorist attack, and allows the courts to order the arrest of a witness who refuses to provide information about a potential terrorist attack, even if the witness has not been charged. Although the Act does not directly impact charities and not-for-profits, it does have the potential to affect those organizations working in conflict areas abroad and even some charities and not-for-profits in Canada which work in high risk areas or activities.

For more analysis of the Bill, see the March 2012, *Charity Law Update*:

<http://www.carters.ca/pub/update/charity/12/mar12.pdf>.

The new Act is available online at: http://www.parl.gc.ca/content/hoc/Bills/411/Government/S-7/S-7_4/S-7_4.PDF

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