

Minister
of National Revenue



Ministre
du Revenu national

Ottawa, Canada K1A 0A6

MAR 04 2016

Mr. J. Jaye Torley
President
Profitable Giving Canada
Suite 600, 6th floor, Tower B
380 Wellington Street
London ON N6A 5B5

Dear Mr. Torley:

Thank you for your correspondence about gifting tax shelter arrangements. I apologize for the delay in replying.

The Canada Revenue Agency (CRA) communicates information and general warnings on gifting tax shelter arrangements and their consequences on its website through a wide array of methods, including tax alerts, tax tips, news releases, tweets, and fact sheets. The CRA is also raising public awareness through partnerships with other government departments and close collaboration with tax practitioners.

In October 2012 and January 2014, the CRA issued news releases explaining that it would put on hold the assessment of returns for individuals claiming donation credits relating to gifting tax shelters. The news releases explained how all schemes are subject to audit and how, to date, all have been found to be non-compliant with the law.

The CRA is aware of the various Federal Court cases you refer to, in particular the recent Federal Court of Appeal decision involving Mr. Robert McNally. Any impact of this decision will be communicated directly to the individuals whose returns are being held.

I appreciate the opportunity to respond to your concerns.

Sincerely,

The Honourable Diane LeBouthillier, P.C., M.P.