



LIFE & MISSION AGENCY
Canadian Ministries

**Charitable Status Registration
November 2013**

As a registered charity, The Presbyterian Church in Canada is required to engage only in allowable activities as it carries out its charitable purposes. The Canada Revenue Agency (CRA) states that a registered charity is allowed to carry out its charitable purposes in only two ways: by carrying on its own charitable activities (that serve to promote the charity's purposes) and by gifting to qualified donees.

A registered charity is not permitted to carry out its purposes by simply disbursing its money or other resources to an individual or to another organization that is not a qualified donee. Gifting to a non-qualified donee puts the status of a registered charity in jeopardy. Grants through Canadian Ministries to new, renewing, specialized, and sustaining ministries of The Presbyterian Church in Canada must comply fully with required standards of the Denomination and CRA; therefore gifts, including grants, are to be made to qualified donees (i.e. other registered charities).

The **advantages** of being a registered charity are:

- ministries are allowed to issue official receipts for gifts received
- ministries are exempt from paying income tax

The **requirements** of a registered charity are:

- devotes its resources to charitable purposes
- meets requirements of registration in respect to charitable purpose
- files T3010, Registered Charity Information Return, within six months of fiscal year end

For reporting purposes, ministries will be asked to provide the registration number to Canadian Ministries when submitting a grant application. The eligibility of a ministry to receive a grant from Canadian Ministries can be temporarily or permanently discontinued if the ministry is not a qualified donee meeting CRA requirements. Of course, this will not apply to any ministry that demonstrates that it is in the process of applying for registration as a charity with the CRA.

It is important for ministries to remain current as the standards and expectations of CRA compliance change occasionally. Additional information is available from www.cra.gc.ca or contact Canadian Ministries.