



Canada's Charities Disappointment with the Liberals' 2023 Budget

An open Letter to the Prime Minister and Deputy Prime Minister and Minister of Finance

Dear Prime Minister and Deputy Prime Minister and Minister of Finance,

All charities across Canada were very disappointed that your government did not include a recommendation to remove the capital gains tax on charitable donations of private company shares and real estate in your Budget 2023.

The stakeholders in the Charitable Sector includes it's 2.1 million employees, the management and the board of directors of each charity organization are involved with fundraising as well as donating personally.

Implementing this measure would stimulate an estimated \$200 million extra donations per annum this year and every year going forward. The foregone capital gains tax would only be \$50-\$65 million and the charitable donation tax credit would be the same as for cash donations. This measure is needed now more than ever as all charities are facing a fiscal crisis, as inflation and interest rates rise during these challenging times.

Food banks and other programs serving vulnerable Canadians are expected to serve 60 percent more people per month in 2023 than last year, according to a report by Second Harvest. These food banks are financially supported by charitable donations. Also, hospitals desperately need additional doctors, nurses and hospital staff. Private sector donations would assist in funding hospital programs and support staff.

We recommend that you consider including this measure with the Budget legislation that will be tabled in the House of Commons, or alternatively as a standalone announcement at the Government's earliest convenience to ensure timely implementation to benefit all Canadians.

All charities, and the millions of Canadians whom they serve would be very grateful.

Thank you for your consideration.

Yours sincerely,

Donald K. Johnson O.C., LL.D.

Director, UHN Foundation
Chair, Vision Campaign, Toronto Western Hospital
Member, Advisory Board, Ivey Business School, Western University
Chairman Emeritus & Director, Business / Arts
Member, 2023 Major Individual Giving Cabinet, United Way Greater Toronto
Member, Honourary Board, The National Ballet of Canada

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