

WHY OUR CANADIAN CHARITIES AND SMALL BUSINESS OWNERS ARE RELEVANT TO THE UPCOMING ELECTION

Removing the Capital Gains Tax on Gifts of Private Company Shares and Real Estate

To: **The Right Honourable Justin Trudeau, P.C., M.P.**
Prime Minister of Canada

The Honourable William Morneau, P.C., M.P.
Minister of Finance

cc: **Mr. Jagmeet Singh, M.P.**
Leader, New Democratic Party

Ms. Elizabeth May, M.P.
Leader, Green Party

The Honourable Andrew Scheer, P.C., M.P.
Leader of the Official Opposition, Conservative Party

The Honourable Pierre Poilievre, P.C., M.P.
Finance Critic, Conservative Party

Mr. Peter Julian, M.P.
Finance Critic, New Democratic Party

Mr. Yves-François Blanchet
Leader, Bloc Québécois

The upcoming election will be a major challenge for all parties. Our proposal to remove the capital gains tax on gifts of private company shares and real estate is very relevant to the election. This measure will resonate with small business owners who wish to give back to their communities in every single riding across Canada. There are hundreds of thousands of small business owners in our country and 110,000 are members of the Canadian Federation of Independent Business (CFIB). Not only would small business owners be grateful, but the millions of Canadians who are served by our hospitals, social service agencies and universities, as well as arts and cultural and religious organizations would also benefit from this increased funding. Additional donations from the private sector would be approximately \$200-million per annum every year going forward. This increased funding would come at a time when all levels of government – federal, provincial and municipal are facing significant fiscal challenges.

The Special Senate Committee on the Charitable Sector issued its report in June 2019 and Section 3 recommended **INCENTIVIZING THE DONATION OF REAL ESTATE AND PRIVATE COMPANY SHARES.**

We urge both the Liberal and the Conservative parties to include this measure in your election platforms. We also urge each of the opposition parties to communicate their support of this measure in the upcoming debates prior to the election.

From a public policy perspective, this measure would address an inequity in the current Income Tax Act by providing the same tax treatment for donations of shares by owners of small businesses as is currently the case for owners of shares in publicly listed companies. In addition, it would provide Canadian charities with the same opportunity to raise private sector funding on the same basis as their U.S. counterparts.

Thank you for your consideration. We look forward to the upcoming election!

	Bruce MacDonald President & CEO Imagine Canada		Daniele Zanotti President & CEO United Way Greater Toronto
	Nichole Anderson Bergeron, ICD.D President & CEO Business/Arts		Jory Pritchard-Kerr, FAHP Past Chair, Association for Healthcare Philanthropy, Executive Director, Collingwood General and Marine Hospital Foundation
	Jayne Watson CEO National Arts Centre Foundation		Graham Carr Interim President & Vice-Chancellor Concordia University
	David T. Barnard President & Vice-Chancellor University of Manitoba		Franco J. Vaccarino, PhD, FCAHS President & Vice-Chancellor University of Guelph
	Malcolm Burrows Head, Philanthropic Advisory Services Scotia Wealth Management		Paul-Émile Cloutier President & CEO / Président et Chef de la direction HealthCareCAN / SoinsSantéCAN
	Alan Shepard President and Vice-Chancellor Western University		Rose M. Patten, O.C. Chancellor University of Toronto
	Thomas d'Aquino, C.M. LL.D. Chair National Gallery of Canada Foundation		Benoit-Antoine Bacon President & Vice-Chancellor Carleton University
	Feridun Hamdullahpur President & Vice-Chancellor University of Waterloo		Janice Price, ICD.D President & CEO Banff Centre for Arts and Creativity
	Dan Kelly President & CEO / Président et Chef de la direction Canadian Federation of Independent Business		Janet Yale President & CEO The Arthritis Society
	Ruth MacKenzie President & CEO Canadian Association of Gift Planners		Shelley Ambrose Executive Director The Walrus
	Christopher H. Hatch CEO Food Banks Canada		Rhonda L. Lenton President & Vice-Chancellor York University
	Jacques Frémont Recteur et vice-chancelier President and Vice-Chancellor Université d'Ottawa University of Ottawa		John M. Rafferty President & CEO CNIB

Donald K. Johnson, O.C., LL.D.
Member of the 2019 Major Individual Giving Cabinet, United Way Greater Toronto; Director, Toronto General and Western Hospital Foundation; Chair, Vision Campaign, Toronto Western Hospital; Director, Business/Arts; Advisory Board, Ivey Business School at Western