



COMMUNITY FOUNDATIONS
OF CANADA FONDATIONS
COMMUNAUTAIRES
DU CANADA

February 2, 2012

Guyanne Desforges, Clerk of the Committee
House of Commons
Sixth Floor, 131 Queen Street
Ottawa, ON K1A 0A6

Dear Ms. Desforges,

We are writing on behalf of Canada's national Community Foundation network to share some of our thinking on policies to encourage charitable giving during the hearings of the Standing Committee on Finance, as well as to thank you for creating this opportunity for Canadians to engage in a critical discussion about philanthropy. Community Foundations of Canada (CFC) mobilizes the collective efforts of the 180 community foundations across Canada. Our network is one of Canada's biggest investors in community, working with Canadians to contribute more than \$149 million to thousands of local charities last year.

As a Member of Parliament you are aware of the great strengths of Canadian communities, as well as the challenges they face. We hope you are also familiar with the significant role the charitable sector plays in leveraging local assets and in meeting important community needs. The motion before the Standing Committee on Finance (C-470) has created a significant national opportunity to consider the potential impact of innovative vehicles like the Stretch Tax Credit proposal that could put more resources into the hands of communities, by encouraging Canadians to be more generous.

CFC's network is a strong supporter of the Stretch Tax Credit, led by Imagine Canada. We believe it will persuade Canadians to take a second look at their charitable giving. The Stretch Tax Credit is just one of the many ideas that have received added attention and interest as a result of the motion before you. Over the years charities across the country have felt the positive impact of tax incentives like the elimination of capital gains tax on gifts of appreciated securities. Community Foundations have seen increased giving at the local level as a result and we expect the incentives currently being suggested would see a similar result. Moreover, suggestions to improve the regulatory environment as identified by our partners, Philanthropic Foundations of Canada, are key initiatives that we endorse.

We will be watching the Committee hearings with great interest and will be working closely with Imagine Canada and others to ensure the voices of communities we serve are part the process. The discussions may include much more than charitable tax incentives, but that is all part of the important role these committees play – and a cornerstone of our democratic process. Indeed, the role of foundations, charities and civil society actors in the public policy process is a fundamental part of Canada's history and democratic values.

We would welcome the opportunity to meet with you and/or other committee members at some time during the new Parliamentary session to inform you about the activities of and opportunities before Community Foundations in Canada.

Sincerely yours,

Terry Jackson, Chair

Ian Bird, President and CEO

cc. Marcel Lauzière, President and CEO, Imagine Canada
Hilary Pearson, President and CEO, Philanthropic Foundations of Canada