



Which Canadian charities received funds for political activities from foreign sources in 2016?

By Mark Blumberg (May 17, 2018)

We recently reviewed the T3010 information for 2016. The database was prepared by the Charities Directorate of CRA in January 2018 and covers about 84,000 charities (which is about **97.5%** of Canadian registered charities) and their 2016 T3010 returns.

The CRA's T3010 asks certain questions relating to political activities including:

1. Did the charity carry on any political activities during the fiscal period, including making gifts to qualified donees that were intended for political activities?. Yes No
2. Total amount spent by the charity on these political activities. \$
3. Of the amount at line 5030, the total amount of gifts made to qualified donees. \$
4. Total amount received from outside Canada that was directed to be spent on political activities. \$

In this note we will focus on the total amount received from outside Canada in 2016 that was directed to be spent on political activities. The total amount declared by Canadian charities was \$997, 294. In other words it is less than 1m. Historically about \$25-30 million is spent on political activities according to the T3010. The foreign funds therefore would represent about 3% of the total amount of expenditures on political activities. Also as the charity sector has expenditures in total of \$240 Billion dollars the \$1 million represents a very small percentage of that amount.

Please review my caveats at the end about the reliability and usage of T3010 information.

Name of Registered Charity	Sequence	Description	Funding Amount	Country Code	Country Name
ECOLOGY ACTION CENTRE	1	To coordinate with multiple stakeholders to help move the na	\$8,000.00	US	UNITED STATES
ACTION CANADA FOR SEXUAL HEALTH AND RIGHTS	1	Media work	\$9,409.00	US	UNITED STATES
ACTION CANADA FOR SEXUAL HEALTH AND RIGHTS	2	Conferences, Public events and Speeches	\$7,634.00	US	UNITED STATES
ACTION CANADA FOR SEXUAL HEALTH AND RIGHTS	3	Publications and Calls to Action	\$9,892.00	US	UNITED STATES
ACTION CANADA FOR SEXUAL HEALTH AND RIGHTS	4	Internet-based communications	\$6,721.00	US	UNITED STATES
ENVIRONMENTAL DEFENCE CANADA INC.	1	New Venture Fund	\$24,622.00	US	UNITED STATES
CANADIAN FOODGRAINS BANK ASSOCIATION INC	1	Developing and producing materials	\$29,952.00	US	UNITED STATES
CANADIAN FOODGRAINS BANK ASSOCIATION INC	2	Travel to public meetings	\$5,500.00	US	UNITED STATES
CANADIAN FOODGRAINS BANK ASSOCIATION INC	3	Subgrants to Foodgrains bank members for advocacy work	\$75,000.00	US	UNITED STATES
CANADIAN FOODGRAINS BANK ASSOCIATION INC	4	Personnel costs to undertake above activities	\$42,293.00	US	UNITED STATES
THE CANADIAN RED CROSS SOCIETY	1	Dissemination of international Humanitarian Law Information	\$15,000.00	QP	Other (Europe)
WORLD VISION CANADA-VISION MONDIALE CANADA	1	Encourage Canadians to contact Canadian Government officials	\$52,400.00	US	UNITED STATES
WORLD VISION CANADA-VISION MONDIALE CANADA	2	to support investment in maternal, newborn and child health	\$0.00		
INTERNATIONAL INSTITUTE FOR SUSTAINABLE	1	Global Subsidies initiative-Norwegian MFA	\$201,010.00	QP	Other (Europe)
INTERNATIONAL INSTITUTE FOR SUSTAINABLE	2	Investment Law-Swiss Agency for Development and Coop.	\$94,286.00	QP	Other (Europe)
TIDES CANADA INITIATIVES SOCIETY	1	Re-development of websites and webhosting	\$3,150.00	US	UNITED STATES
GEORGIA STRAIT ALLIANCE	1	Oppose Kinder Morgan pipeline proposal	\$5,269.00	US	UNITED STATES
Projet de la réalité climatique Canada / The	1	Quebec city march	\$1,854.00	US	UNITED STATES

Name of Registered Charity	Sequence	Description	Funding Amount	Country Code	Country Name
climate realityproject Canada					
Projet de la réalité climatique Canada / The climate realityproject Canada	2	Road to Paris Pledge	\$17,232.00	US	UNITED STATES
Projet de la réalité climatique Canada / The climate realityproject Canada	3	Ottawa March	\$1,846.00	US	UNITED STATES
Projet de la réalité climatique Canada / The climate realityproject Canada	4	Montreal consultation on climate and fossil fuels	\$300.00	US	UNITED STATES
THE PEMBINA FOUNDATION FOR ENVIRONMENTAL RESEARCH AND EDUCAT	1	AS ABOVE	\$2,367.00	US	UNITED STATES
CANADIAN ENVIRONMENTAL GRANTMAKERS' NETWORK	1	The New Venture Fund	\$2,384.00	US	UNITED STATES
ENGINEERS WITHOUT BORDERS (CANADA) ORGANIZATION	1	Canadian aid effectiveness	\$381,173.00	US	UNITED STATES

Limitations and Caveats

There are a number of cautions in dealing with the information from the T3010. You can access on the CRA website directly information on each Canadian registered charity at:

<http://www.cra-arc.gc.ca/charities/>

Limitations and Caveats

- 1) The data in this note is based on the T3010 Registered Charity Information Return filings. Although all charities are supposed to file their T3010 within 6 months of their fiscal year end, some registered charities file their return late. In some cases they do not file at all and then will lose their charitable status eventually. Depending on the dataset from CRA not every charity may have filed their T3010 or CRA may have received the T3010 but not yet inputted it.
- 2) Registered charities complete the T3010 and one person signs the form. The T3010 information is not independently verified by CRA when it is posted on the CRA site or placed in the CRA database.
- 3) Although an important legal document, the T3010 is often completed by volunteers or others who may have little understanding of the nuances of the *Income Tax Act*(Canada), who may have limited language skills, and who may not have easy access to the correct information and are often in a hurry to file the form to avoid deregistration. In the case of larger institutions they may have accountants or finance staff and the form may, or may not, be more accurate. However, with larger charities when mistakes are made they can sometimes be very large mistakes. It is a good idea especially for larger charities for different parts of the charity to

review the T3010 closely such as finance, program staff, fundraising etc. although sometimes this does not happen.

4) The T3010s are filed with CRA and in many cases needs to be coded by hand at CRA which can also introduce mistakes. Only a small number of T3010s have 2D bar code technology which will eliminate most processing errors on CRA's part. Canadian charities still cannot electronically file the T3010.

5) In some cases those completing the T3010 for a charity are deliberately deceptive. For example, an organization knows that it has substantial fundraising or political expenses but chooses to put them under charitable etc. Or an organization claims pharmaceuticals that it can purchase for \$50,000 are really worth \$50 million.

6) Don't rely on any of this information without checking with the charity and appropriate due diligence as required.

7) The T3010 is a tax form completed according to guidance provided by the CRA in a Guide ([T-4033](#)) and also various other CRA guidances and policies. The information inputted may not conform to Generally Accepted Accounting Principles (GAAP) and many not match what is in a financial statement. You can obtain copies of financial statements, whether audited or not, on any registered charity by requesting the financial statements from CRA. These financial statements are filed with CRA, but not placed on the CRA website, and they sometimes add further important information.

8) The T3010 asks certain questions. Many important questions [are not asked on the T3010](#). Furthermore and most shockingly [CRA is prohibited from releasing any information on the approximately 80,000 – 100,000 non-profits that are not registered charities and may of them file the T1044 Non-Profit Information Return](#).

9) Relying on the T3010 to make decisions on whether a charity is efficient, effective, or worthwhile to support is prone to failure. We have established a website at www.smartgiving.ca which discusses in detail questions donors may want to ask before donating to charity. Also we have prepared an article on [how much should a charity spend on overhead](#).

This analysis was prepared as part of the Sean Blumberg Transparency Project.

Mark Blumberg is a lawyer at Blumberg Segal LLP in Toronto, Ontario. He works almost exclusively in the area of non-profit and charity law. To find out more about legal services that Blumberg provides to charities and non-profits please visit www.canadiancharitylaw.ca or www.globalphilanthropy.ca

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