

City Council

Motion without Notice

MM41.53	ACTION			Ward:All
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City Council Resolution on Supporting Private Contributions to Community-Based Not-for-Profits - by Mayor John Tory, seconded by Councillor Josh Colle

** This Motion has been deemed urgent by the Chair.*

** This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.*

Recommendations

Mayor John Tory, seconded by Councillor Josh Colle, recommends that:

1. City Council request the Federal Government to review and modernize the Income Tax Act to benefit charities including by removing the capital gains tax on gifts to charities of private company shares and real estate.
2. City Council forward this to the Federation of Canadian Municipalities and request that the Federation of Canadian Municipalities urge the Federal Government to make amendments to the Income Tax Act (Canada) as outlined in Part 1.

Summary

In 2013, the Federation of Canadian Municipalities adopted a resolution requesting the Federal Government to amend the Income Tax Act by removing capital gains tax on gifts to charities of private company shares and real estate in order to increase donations to charities and the community-based not-for-profit sector.

The Federation of Canadian Municipalities resolution expired in 2016 and this resolution should be renewed. Additionally, the resolution should be expanded to reflect the need for a broader review of the Income Tax Act to increase the economic stability and opportunities available to charities.

The City of Toronto, along with many other municipalities across the country, rely on the support of the community-based not-for-profit sector to deliver key services that allow municipalities to thrive. This often includes direct partnerships which have a significant and direct positive impact on municipal operations. This resolution supports the community-based not-for-profit sector to continue their work in assisting municipalities reaching their socio-economic goals.

In Toronto, the community-based not-for-profit sector is a significant economic force generating at least \$14 billion in revenues and over 200,000 jobs. The sector often represents the first point of entry into the workforce for vulnerable individuals and supports Toronto's overarching goals of economic inclusion.

Background Information (City Council)

Member Motion MM41.53