

Registered Charities: How to Become a Registered Charity

Introduction (Slide 1)

This module contains information on:

- ❖ who is eligible to register as a charity under the *Income Tax Act*
- ❖ the importance of an organization's objects
- ❖ sample model objects
- ❖ the application form and guide on registering charities

Qualifications (Slide 2)

To be eligible to become a Registered Charity under the *Income Tax Act*, an organization must:

- ❖ be established for charitable purposes
- ❖ carry on activities to further these purposes
- ❖ reside in Canada
- ❖ not use its income to benefit its members

Purposes/Objects (Slide 3)

In order for an organization to qualify to register as a charity under the *Income Tax Act*, its purposes or objects must fall under one or more of the following categories:

- ❖ the relief of poverty
- ❖ the advancement of education
- ❖ the advancement of religion
- ❖ other purposes beneficial to the community

The objects should be set out in the organization's governing document.

Model Objects (Slide 4)

When developing your organization's objects, you may want to consult the Canada Revenue Agency's list of some model objects at:

www.cra-arc.gc.ca/tx/chrts/pplyng/mdl/menu-eng.html

Form and Guide (Slide 5)

To apply for registration, an organization needs to complete the Form T2050 available at:

www.cra-arc.gc.ca/E/pbg/tf/t2050/README.html

An accompanying guide on registering a charity for income tax purposes is available at:

www.cra-arc.gc.ca/E/pub/tg/t4063/README.html

Notice (Slide 6)

Information in this module is provided for general educational purposes and not as legal or accounting advice. Consult a lawyer or accountant for professional advice.

Information is accurate as of January, 2009.

For changes after this date, consult Canada Revenue Agency.