

April 10, 2016

Status of Ontario District / H4S Internal Division

As reported at last fall's HOD meeting, the Canada Revenue Agency (CRA) had written to the District stating that in order for H4S to apply for charitable status, the District must file an application using form T2050.

Geoff Shields, Bruce Dibble and I spent considerable time and effort investigating the requirements, completing and documenting information required by the application and it was mailed to the CRA on February 25, 2016.

In the committee's report submitted to last fall's HOD, it was naively anticipated that we were hopeful to have the Internal Division in place in time for the 2015 tax filing deadline of June 30, 2016. During discussions with the CRA, however, it was made clear that once the CRA received the application it could take up to 2 months for the CRA to confirm the completeness of the application, up to another 5 months for the application to be assigned to a senior agent and yet another 6 – 12 months to complete the review, for a potential waiting period of 13 to 19 months.

On March 14 the CRA wrote returning our application. I have attached a copy of that letter. The committee believes that the CRA are looking for the Ontario District's Governing Documents to be more explicit regarding its status as a 'head body' and the way it oversees H4S as an 'internal division'.

We plan to work with the CRA to determine the minimum amount of work to be done to close this gap, which may mean making some changes to the Ontario District's Governing Documents.

Respectfully submitted

Bruce Herdman



MAR 14 2016

Mr. Bruce Herdman
Treasurer
Ontario District Association of Chapters of SPEBSQSA
13 Ivan Avenue
Grimsby ON L3M 1W7

Your file

Our file

**SUBJECT: Harmonize for Speech
Incomplete Application to Register a Charity Under the *Income Tax Act***

Dear Mr. Herdman:

We are returning the application for charitable registration and documents submitted on behalf of Harmonize for Speech because it is incomplete.

If the Applicant chooses to resubmit an application, carefully review it and make sure to include all the required documents detailed in the attachment (Appendix A).

Please note we do not keep any documents related to incomplete applications; therefore, we recommend that you keep a copy of your application and supporting documents for your records. For more information on completing your application, go to www.cra-arc.gc.ca/chrts-gvng/chrts/pplyng/htply-eng.html

If you have any questions, please contact our Client Service Section at 1-800-267-2384 or refer to Guide T4063, *Registering a Charity for Income Tax Purposes*, found at www.cra.gc.ca/forms. Please note, only an authorized representative listed on Q18 of the T2050, *Application to Register a Charity under the Income Tax Act* is allowed to make enquires on the status of an application.

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

Appendix A

We consider your application incomplete for the following reasons. Please submit a new application that includes:

- the missing information stated below;
- all previously submitted information; and
- **a copy of this letter.**

Adopting the Governing Documents of another Entity that does not meet the requirements of a “head body”.

It appears the organization intends to adopt the governing document of **Ontario District Association of Chapters of SPEBSQSA** (the “established entity”). In this regard, you indicated that you are an internal division of the established entity. It is our opinion that your organization does not meet the requirements to be considered as an internal division since the established entity does not meet our criteria to fulfill that function.

To be considered a “head body”, an organization’s governing documents must include a purpose to that effect. Generally, a head body will also identify its relationship with its “divisions.” This may include details regarding property ownership, the control of the head body over the division’s activities and budget, and the general governing authority of the head body over its divisions. Any organization that does not provide this information generally cannot qualify as a head body, meaning that it cannot, in our view, support internal divisions.

If your organization is legally established by its own governing document, please provide a complete copy, including any by-laws and amendments. For more information on governing documents, please visit

www.cra.gc.ca/chrts-gvng/chrts/pplyng/gdc/wgd-eng.html.