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FREE  
EXPRESSION  
MATTERS

The Honourable Gail Shea  
Minister of National Revenue  
7th Floor - 555 MacKenzie Avenue  
Ottawa ON K1A 0L5

December 14<sup>th</sup>, 2012

Dear Minister Shea,

PEN Canada, a nonpartisan organization that defends freedom of expression as a basic human right, has serious concerns about recent Canada Revenue Agency actions towards certain registered charitable organizations. We urge you, as Minister, to initiate a broad discussion about this issue with a view to reforming applicable law and government policy.

On July 23, 2012, the editor and publisher of Canadian Mennonite magazine received a letter from Canada Revenue Agency stating that Canadian Mennonite Publishing Service was in danger of having its charitable status revoked because certain articles it had published were considered to be "partisan" in nature. The warning was based subsections 149.1(6.1) and (6.2) of the Income Tax Act. The word "partisan" does not appear in these subsections, but their provisions do preclude a registered charity from directly or indirectly supporting or opposing any political party or candidate for office.

Canadian Mennonite does not support any one political party or candidate. It opposes certain positions that the Conservative Party holds. Canadian Mennonite would oppose these positions regardless of which party held them, since they are contrary to Mennonite core beliefs.

The Canadian Mennonite situation is apparently not unique. This past April, David Suzuki resigned from his position at the foundation that bears his name citing political pressure from the CRA. Suzuki is well known for his vocal opposition to development of the Alberta Tar Sands. There are press reports that the Tides Foundation, which opposes the Northern Gateway pipeline, has been targeted for multiple audits from CRA. In May, Physicians for Global Survival, a group opposed to nuclear war, lost its charitable status; PGS had been critical of the government for failing to support a strong global nuclear disarmament policy. In each case, these organizations held positions that were consistent with their core beliefs, but happened to oppose the positions of the Conservative government.

It appears that the CRA is using the word "partisan" in a much broader sense than the statute justifies, and that charitable organizations are being prohibited from discussing any "political" or "partisan" matter whatsoever. The actions of CRA, made possible by the vagueness of the relevant Income Tax Act provisions, stifles opposition to government policy, which is a necessary condition for the existence of a healthy democracy.

PEN Canada urges that you take action in this matter. I would welcome the chance to meet with you and your officials to discuss our concerns about the vagueness of Income Tax Act and the resulting implications more fully.

Sincerely yours,

Charles Foran  
President, PEN Canada