



## Novel Coronavirus (COVID-19)

Not-for-Profit & Charities

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# COVID-19: Regulatory Considerations for Charities and Non-Profits

By Linda J. Godel and Lauren Crosby

In recent weeks, we have been helping many of our clients navigate the extraordinary and often urgent challenges that they are facing in their day-to-day operations due to COVID-19 on a wide range of issues such as employment matters, fundraising, hosting events and meetings, governance considerations, insurance and liability, and ongoing financial concerns.

In addition to operational issues arising from this global pandemic, many charities and non-profits also have questions about the potential impact that COVID-19 could have on them from a regulatory perspective.

Charities and non-profits are subject to complex corporate and tax regulation that is overseen by a number of government agencies at both the federal and provincial levels. In recent days, many government departments have been releasing new information about the impact of COVID-19 on the delivery of their services.

We have been watching closely for updates and have been in regular contact with government agencies that regulate charities and non-profits to keep informed of the potential impacts that COVID-19 may have on our clients. Below are some of the key regulatory considerations for charities and non-profits based on what we know so far.

## Charities Regulators

### *The Charities Directorate (Charities Directorate) of the Canada Revenue Agency (CRA)*

Many of our clients have been asking us how COVID-19 could impact their pending applications for charitable registration, ongoing CRA audits, and regular filing and reporting obligations with the CRA.

A notice has been posted on the Charities Directorate's website that its call centre services have been temporarily suspended until April 3, 2020. Although no further public announcements have been made by

the Charities Directorate about COVID-19 at this time, we anticipate that further and more specific information about its impact on registered charities and applicants for registration will be forthcoming.

### *The Ontario Public Guardian and Trustee (OPGT)*

Ontario charities may also be wondering whether COVID-19 will impact the applications for supplementary letters patent, amalgamation, or dissolution that they have filed or were planning to file with the OPGT (which are then sent directly to the Ontario corporate ministry).

We have been advised that the Charitable Property Program at the OPGT is continuing to deliver services although service delivery timelines may be longer than usual. In the event that the Ontario government decides that all non-essential government services will be temporarily suspended, however, we understand that the Charitable Property Program of the OPGT will not continue to operate during the suspension.

### **Corporate Regulators**

Our corporate services group, which deals with the applications and filings with the corporate ministries, reports that at this time, both the Ontario and the federal corporate ministries are continuing to deliver services to not-for-profit corporations (whether charitable or non-profit).

### *Corporations Canada*

Corporations Canada can process most filings online, but mail and in-person are other service delivery methods. We understand that services continue to be provided through each of these mechanisms. The Corporations Canada website recently was updated to include a statement that there may be delays in service delivery due to a system overload, however.

### *Service Ontario*

Service Ontario does not have the technological capacity to allow applications by not-for-profit corporations to be done online at this time but rather they must be done by mail or in-person. There has been no word about Service Ontario delays in processing times, which have typically been lengthy for charities and non-profits in normal circumstances.

While there is not much information available from the regulators of charities and non-profits at this time, we do expect more news in the coming days and weeks. We also anticipate that the regulators will be reasonable and understanding in terms of filing and response deadlines.

We would be happy to answer any questions that you may have about regulatory compliance or any other matters involving COVID-19.

***For legal advice on issues arising from COVID-19, please contact your Torkin Manes lawyer. For more information about dealing with COVID-19, please visit our COVID-19 Resource Center.***

## **Authors**



**Linda J. Godel**  
Partner

**Tel:** 416 643 8809  
lgodel@torkinmanes.com



**Lauren Crosby**  
Associate

**Tel:** 416 777 5429  
lcrosby@torkinmanes.com

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