

## ALLOWABLE ACTIVITIES

A registered charity must be created for [charitable purposes](#) and must devote its resources (funds, personnel, and property) to charitable activities. A registered charity is permitted to carry out its charitable purposes, both inside and outside Canada, in only two ways: by carrying on its own charitable activities, and by gifting to [qualified donees](#).

A registered charity must maintain direction and control over its activities (whether carried out by the charity, or by an agent or contractor on its behalf) and must not engage in prohibited political activities or unrelated business activities.

## Checklist

Is the charity aware of the following requirements:

- Contact the Charities Directorate if the charity plans to engage in new activities that were not identified in its application for registration, to ensure they qualify as charitable.
- Limit using the charity's resources for social activities and fundraising activities as they generally are not considered charitable.
- If working through intermediaries such as an agent, a contractor, or any other non-qualified donee, the charity must be able to demonstrate that it retains direction and control over the use of its resources. (For example, the charity could enter into a formal written agreement with the intermediary body.)
- Do not engage in any activities that may directly or indirectly support or facilitate an act of terrorism.
- Do not engage in any prohibited political activities, such as supporting or opposing a political party or candidate for public office.
- Gift only to qualified donees (for example, other registered charities).
- Engage in only related business activities that accomplish or promote the charity's purposes, if the charity is designated as a charitable organization or a public foundation.
- Do not engage in any business activities if the charity is designated as a private foundation.

## NOTES

### CHARITABLE PURPOSES

The courts have identified four general categories of charitable purposes. For an organization to be registered as a charity, its purposes have to fall within one or more of the following categories:

- the relief of poverty;
- the advancement of education;
- the advancement of religion; or
- other purposes beneficial to the community in a way the law regards as charitable

### QUALIFIED DONEES

Qualified donees are organizations that can, under the Income Tax Act, issue official tax receipts for gifts that individuals or corporations make to them.

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