



INFORMATION BULLETIN

Non-Profits and Associations Seeking Grants

Canada Revenue Agency (CRA) mandates that registered charities and foundations, including community foundations, direct funds only to “*qualified donees*.” * These qualified donees include: Registered Charities, Registered Amateur Athletic Associations and Municipalities.

- Registered Charities have been given a number by CRA similar to this:
12345-6789 RR0001
- Registered Amateur Sport Associations have been given a number by CRA similar to this:
12345-6789 RS0001
- Municipalities do not require a CRA number

*CRA Reference Number: CG-010 Issued: August 15, 2011.
<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/qlfdns-eng.html>

Using an Intermediary: CRA provides information on an agreement between registered charities (called an *intermediary*) and an incorporated but unregistered not for profit.* When a valid intermediary agreement is in place, the grantor issues the grant cheque to a qualified donee which, in turn, agrees to provide funding for the not for profit organization for a specific task or program.

Currently, the CRA website provides guidance on intermediary agreements in the document entitled “Using an Intermediary to Carry out a Charity's Activities within Canada.”

*CRA Reference number: CG-004 Effective date: June 20, 2011.
<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/ntrmdry-eng.html>

For more information, visit the CRA website (www.cra-arc.gc.ca) and search for “Qualified Donees” or contact:

Charities Directorate
Canada Revenue Agency
1-800-267-2384