



BY EMAIL

November 21, 2022

The Honourable David Lametti
Minister of Justice and Attorney General of Canada
House of Commons
Ottawa, Ontario,
Canada
K1A 0A6

RE: BILL C-32 AMENDMENTS TO THE INCOME TAX ACT

Dear Minister Lametti:

I am writing to share with you a submission filed today with the House of Commons Standing Committee on Finance setting out the concerns of the Federation of Law Societies of Canada (Federation) about amendments to the *Income Tax Act* currently before the House of Commons as part of Bill C-32, *The Fall Economic Statement Implementation Act*. We have also shared the submission with the Minister of Finance.

As you are aware, the Federation is the national association of the 14 law societies mandated by the provinces and territories to regulate Canada's legal profession in the public interest. Together the law societies regulate more than 136,000 lawyers, 4,200 notaries in Quebec and Ontario's nearly 10,600 licensed paralegals. The Federation is also the law societies' national and international voice on important issues related to the regulation and core values of the legal profession.

I am sharing our concerns about the proposed amendments to the *Income Tax Act* included in Bill C-32 (section 35) because they threaten important Constitutional principles, including solicitor client privilege and the duty of commitment to the client's cause by imposing on legal professionals a requirement to file a return for trust accounts they operate on behalf of specific clients (separately held trust accounts). In the view of the Federation, the failure to protect these important principles makes the amendments unlikely to survive Constitutional scrutiny.

I would be pleased to provide additional information on the Federation's concerns should you wish.

Sincerely,

for
Jill Perry, K.C.
President

Encl.