

**Review Questions: Chapter 10 p. 24**

1. Beside each statement below *circle* the letter “T” if the statement is true, or *circle* the letter “F” if the statement is false.

Amended Feb 10, 2010 to insert an additional statement.

Answers now match the list.

Under the federal <i>Income Tax Act</i> a non-profit organization is always treated as a charitable organization so that it can give receipts for donations made to allowing the donor to take a tax credit for a charitable donation.	<b>T</b>	<b>F</b>
A charity is always organized as a trust.	<b>T</b>	<b>F</b>
A charitable purpose trust is a trust for a purpose that is recognized under the common law as a “charitable purpose”.	<b>T</b>	<b>F</b>
A charitable purpose trust is a corporate entity that is entitled to special tax treatment under the federal <i>Income Tax Act</i> .	<b>T</b>	<b>F</b>
The problem of the lack of a beneficiary to enforce a purpose trust is typically addressed in the context of charitable purpose trusts by having the Crown enforce the trust through the Attorney General or a Public Trustee.	<b>T</b>	<b>F</b>
A charitable purpose trust that is set up to continue in perpetuity violates the rule against perpetuities.	<b>T</b>	<b>F</b>
The modern-day categories of charitable purposes were derived from the preamble to the English <i>Statute of Charitable Uses</i> passed in 1601.	<b>T</b>	<b>F</b>
The “other purposes beneficial to the community” head of charitable purposes includes any purpose that may be said to provide a benefit to the public.	<b>T</b>	<b>F</b>

Answers on p 25 are unchanged. Corresponding letters are added to match response to the statement.