

*Background Briefing*

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*Issue Sheet: Coram Deo  
Foundation v. Minister of  
National Revenue  
2026 BCSC 123*

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**The Pemsel Case**  
FOUNDATION

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"The law of charity is a moving subject"  
– Lord Wilberforce

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## About Us

Named after the 1891 House of Lords decision, *Commissioners for Special Purposes of the Income Tax v. Pemsel*, [1891] A.C. 531, which established the four principal common law heads of charity used in Canada and elsewhere, The Pemsel Case Foundation is mandated to undertake research, education and litigation interventions to help clarify and develop the law related to Canadian charities. The Pemsel Case Foundation is incorporated under the Alberta *Societies Act* and is a registered charity.



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## Issue Sheet: *Coram Deo Foundation v. Minister of National Revenue* 2026 BCSC 123

On January 27, 2026, the Supreme Court of British Columbia issued a temporary injunction preventing the Canada Revenue Agency (CRA) from finalizing the revocation of a registered charity, Coram Deo Foundation (“the Foundation”).

Following an audit, CRA proposed to impose sanctions on the Foundation. After the Foundation responded to that, CRA issued a notice of intention to revoke the registration of the Foundation. CRA notified the Foundation that, unless it obtained a court order, CRA would publish notice of the revocation 30 days after the notice. Publication in the *Canada Gazette* makes the revocation official.

Normally, applications to stop publication of a revocation notice have gone to the Federal Court of Appeal, which also has authority over appeals from CRA decisions. In this case, the Foundation applied to the B.C. Supreme Court (“the Court”) for a temporary injunction. According to the decision, the Foundation intends to argue that the federal government does not have the constitutional authority to regulate the management of charities, and so its proposed revocation is outside the authority of the federal government. The Constitution says that the exclusive power to make laws in relation to the management of charities is a provincial responsibility; the Constitution also says the federal government has the exclusive power as it relates to tax matters. The federal government has traditionally taken the position that it can exercise some regulatory authority over the management of charities because of the tax advantages awarded to registered charities.

Justice Fowler accepted that the Court had jurisdiction and granted a temporary injunction, preventing publication of the revocation notice for 30 days, saying the Foundation could make further arguments to extend the injunction after the Foundation files its petition arguing that the CRA’s actions are beyond its constitutional authority.

In agreeing to issue the injunction, the Court found that irreparable harm (one of the requirements to justify an injunction) would occur if the revocation notice was published, because one of the Foundation’s directors would become an ineligible individual and thus unable to serve on the board of any other charity. The Court also held that the inability of the Foundation to fulfil grant obligations “could put in jeopardy sizeable donations to many organizations” and that constituted irreparable harm.

The full decision is available [here](#).

## Implications

This is not the first time a charity has taken a case to the superior court of a province. See, for example, [Canada Without Poverty](#) and [Muslim Association of Canada](#).

It does, however, appear to be the first time that a charity has obtained the type of remedy awarded by the B.C. Supreme Court. Similar applications made to the Federal Court of Appeal have not fared as well, and that court has rejected the idea that harm to donees, or the inability to issue charitable-donation tax receipts, would constitute irreparable harm.

For more than 30 years, commentators have suggested a new form of appeal for charities needed to be available. Even leaving aside the cost, the Federal Court of Appeal's decisions have tended to focus on administrative law issues, rather than develop charity law. See also [An Appealing Illusion](#).

There could be further major implications for charity law if the Foundation is successful in arguing that CRA lacks the constitutional authority to regulate charities.



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