

CANADA / JUDGMENT

Rees v. His Majesty the King

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Docket: 2022-893(IT)I

BETWEEN: BRENDA REES,
 Appellant,
 and
 HIS MAJESTY THE KING,
 Respondent .
 Motion determined by Written Submissions
 Before: The Honourable Justice David E. Graham

Participants :

Agent for the Appellant: John R. Hassall

Counsel for the Warwick Walton
Respondent:

JUDGMENT

The appeals of the reassessments of the Appellant's 2005, 2006, 2007 and 2008 taxation years are struck without leave to amend.

Signed this 26th day of May 2026.

"David E. Graham"

Graham J.

Citation: 2026 TCC 100

Date: 20260526

Docket: 2022-893(IT)I

BETWEEN:

BRENDA REES,

Appellant,

and

HIS MAJESTY THE KING,

Respondent.

REASONS FOR JUDGMENT

Graham J.

[1] By order dated March 19, 2026, I gave eleven taxpayers who had participated in the Global Learning and Gifting Initiative donation program (“GLGI”) the chance to explain why their appeals should not be struck without leave to amend for abusing the Court’s process.

[2] One of those taxpayers withdrew his appeal. One conceded the GLGI portion of his appeal. One did not respond by the deadline and, as a result, I have struck his appeal without leave to amend.

[3] The remaining eight taxpayers all filed written submissions. None of them satisfied me that they would be raising new facts or new arguments that could somehow overcome what I described in my Order as the donative intent problem. Similarly, none of them satisfied me that their appeal involves some other issue over which the Court has jurisdiction. They simply made the same stale arguments that have failed in this Court time and again – arguments that it would be an abuse of this Court’s process to allow to proceed.

[4] I will address the specific arguments raised by the Appellant, Brenda Rees, below.

[5] Ms. Rees argues that the government changed the law on donative intent in 2013 with retroactive effect and that, if not for that change, her purported donation to GLGI would have been valid. This is not a new argument.

[6] Someone has clearly been telling GLGI participants that the only reason the scheme did not work is because the government changed the rules after the fact. I imagine that it is in the interest of whoever has spread that conspiracy theory that people believe it.

[7] Like all good conspiracy theories, there is an element of truth to it. The government did change the law in respect of what are known as split-gifting arrangements. In particular, subsections 248(30) – (41) were added to the Income Tax Act . As is the case with many amendments, the change was made retroactive to the year that it was announced. However, contrary to the conspiracy theory, the changes did not add a new requirement that a donor must have donative intent. That requirement was already part of the law (*Friedberg v. The Queen* [1]).

[8] The Respondent relies on these new provisions, but only as a final alternative argument. The Respondent relies first on donative intent, then on the taxpayer never having received the courseware from the trust because the trust did not exist and then on the program being a sham and then on the fair market value of the courseware. It is only if a GLGI taxpayer is successful on all of those issues that the Respondent turns to the new provisions.

[9] Justice Pizzitelli did not have to address the new provisions in Mariano v. The Queen [2] because he found against the taxpayer on the Respondent's primary argument – donative intent. That is the argument that I have asked Ms. Rees to satisfy me that she can overcome. She has provided no facts or arguments that suggest she could.

[10] Based on all of the foregoing, Ms. Rees' appeal is struck without leave to amend.

Signed this 26th day of May 2026.

"David E. Graham"

Graham J.

CITATION:

2026 TCC 100

COURT FILE NO.:

2022-893(IT)I

STYLE OF CAUSE:

BRENDA REES v. HIS MAJESTY THE KING

DATE OF HEARING:

Motion determined by Written Submissions

REASONS FOR JUDGMENT BY:

The Honourable Justice David E. Graham

DATE OF JUDGMENT:

May 26, 2026

PARTICIPANTS:

Agent for the Appellant:

John R. Hassall

Counsel for the Respondent:

Warwick Walton

COUNSEL OF RECORD:

For the Appellant:

Name:

n/a

Firm:

n/a

For the Respondent:

Marie-Josée Hogue

Deputy Attorney General of Canada

Ottawa, Canada

[1] 1991 CarswellNat 669 (FCA).

[2] 2015 TCC 244.

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Prepared on 23 October 2026 · Esheria