

YOUR GUIDE TO

Charitable Giving

SPRING 2019

& ESTATE PLANNING[®]

**Canadian
Donation
Incentives
Explained**

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**What is Your
Charitable Legacy?**

... and when do you start to build it?

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**The Benefits of
Donating Securities**

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**How to Determine What
a 'Generous' Amount is
When Giving to Charity**

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PLUS:
A Directory of
Professional Advisors and
Charitable Organizations

**Who's a
philanthropist?
– YOU are!**

The Benefits of Donating Securities

By directly donating publicly traded securities that have increased in value since you purchased them, you can realize even more tax savings than you would with a cash gift



Sherri Grosz

Many donations made to charities are in the form of cash. However, savvy donors see the benefits of donating publicly traded securities (stocks, bonds or mutual funds) as a more tax effective way to donate versus giving a cash gift.

If you own publicly traded securities, outside of a registered account (RRSP, RRIF, TFSA), that have increased in value since you purchased them, and you donate them in-kind to charity, you'll realize even more tax savings than you would with a cash gift.

When you sell the securities and donate cash, 50% of the capital gain becomes taxable income. However, if you donate the securities in-kind, the taxable capital gain is avoided, and you will receive a charitable receipt for the market value of the securities. Abundance Canada, a public foundation, has extensive knowledge and experience in assisting individuals with these types of charitable donations.

Unlike other Foundations, who will usually provide a charitable receipt on the day the funds arrive in their accounts, Abundance Canada

will date the charitable receipt on the day you sign the paper work and initiate the transfer.

In addition, you do not need to complete separate security transfers with each charity you want to benefit. This means less paperwork and hassle for you. At tax time, you only have one donation receipt to process and that one donation has benefited multiple charities.

For example, a donor has 1,000 shares of Royal Bank to donate to four charities. The fair market

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Your generosity changes everything.

Manage all your charitable giving from one place! During your lifetime and through your estate, you decide when and how much you wish to donate and we will do the rest on your behalf.

From simple to complex donations, you can ensure your generosity is purposeful while enjoying the tax advantages.



To learn more, visit **abundance.ca** or call **1.800.772.3257**.

Abundance Canada is a public foundation registered with the Canada Revenue Agency (CRA). Since 1974, we have helped individuals with their charitable giving in their lifetime and estate through our donor-advised model. Charity Registration No: 12925-3308-RR0001.

Abundance
CANADA

Generosity changes everything



EARN TAX-FREE INCOME



The next generation need not suffer

Are you 70 or older? With a charitable annuity, you can make a significant gift to the Arthritis Society, earn tax-free income for life and receive a tax receipt. It's a straightforward, worry-free investment.

For more information or a confidential quote, contact Sandra Dow at sdow@arthritis.ca or 1.844.979.7228.

See how your gift of a lifetime can make a difference: arthritis.ca/plannedgiving

Arthritis. Give before it takes.



You help them.
CAGP can help you.



Join the largest network of charitable representatives and professional advisors helping Canadian donors reach their philanthropic goals.

www.cagp-acpdp.org
membership@cagp-acpdp.org

Brought to you by CAGP and the CAGP Greater Toronto Area Chapter

LEFT: Ruth MacKenzie, President & CEO, CAGP
RIGHT: Serena Hak, Chair, CAGP GTA Chapter and Associate, Stonegate Private Counsel



The Benefits of Donating Securities

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value of the shares is about \$100,000. Each charity is to receive \$25,000. If the donor chooses to use Abundance Canada to process the gift of securities, they complete one transfer form for the 1,000 shares and they will receive one donation receipt from Abundance Canada.

If the donor does not use Abundance Canada to process the gift-in-kind, they will need to send each charity 250 shares of Royal Bank, which means four transfer processes and four donation receipts.

Which securities should I donate for maximum tax savings?

You should donate securities that are held in a non-registered investment account. Investments held in a registered account, such as an RRSP or RRIF, do not qualify for these tax savings.

Consult with your tax advisor or financial advisor on which stocks, bonds or mutual funds present the best gifting opportunity. Donate the securities that have the largest capital gain to maximize the tax savings for zero capital gains inclusion for the donated securities.

Capital gains on investments held in a tax-free savings account (TFSA) are already tax exempt. Donating these investments will not generate the same tax savings as donating securities held in a taxable investment account.

What if my charity of choice cannot accept donations of publicly traded securities?

Many charities don't have brokerage accounts or the expertise to process donations of securities. Abundance Canada will process the donation of securities, sell them and distribute the proceeds to the charities you wish to support.

You can disburse the proceeds immediately or over a period of years. This works well if you want to receive the tax benefit in one year but fulfill a longer-term pledge.

Even if one of the charities you want to support is willing and able to process these types of donations, using Abundance Canada means that with one transaction you can distribute the proceeds to multiple charities.

Talk to our team

Abundance Canada makes the process of donating publicly traded securities easy!

Charitable giving via gifts of publicly traded securities is a wonderful way to support your favourite charities plus realize additional tax savings over donating cash.

To learn more, visit abundance.ca or call 1.800.772.3257 to meet with a gift planning consultant for a confidential meeting, at no cost to you and with no obligation.

Sheri Grosz

Sheri Grosz is a gift planning consultant with Abundance Canada. Since 1974, we have helped individuals with their charitable giving in their lifetime and estate through our donor-advised model.

abundance.ca