

# Gifts of Securities

**Thank you for considering a gift to Clements Centre for Families in support of children, youth, and adults with diverse abilities.**

A gift of securities enables you to create a meaningful legacy gift with Clements Centre Society (Charitable No.107269466 RR 0001) while also providing significant tax advantages.

Current Canadian legislation allows you to donate publicly traded securities, mutual funds and bonds to registered charities without having to pay capital gains tax. You receive a receipt for the appreciated value of your gift (calculated on the date of transfer) and under current tax rules, the securities you donate will be exempt from capital gains tax, but only if you transfer them in-kind. The capital gains tax exemption does not apply if you first sell the securities and then donate the cash proceeds.

The procedure for gifting securities is straightforward. Following your donation of publicly traded securities and/or mutual funds, we will issue a charitable tax receipt based on the closing value of the shares on the date they are received into our brokerage account.

## **The Donation Process**

You may directly gift your securities to Clements Centre Society, or you may make a gift of securities using CanadaHelps.

1. Please contact Dominic Rockall, CEO, about transferring your securities gift. Please provide your contact information, approximate donation value and the date you intend to make the gift so that we can help make your gift process as easy as possible.

**Dominic Rockall**

**Chief Executive Officer**

250-746-4135 ext. 222

drockall@clementscentre.org

2. Please ask your broker to use their Securities Transfer to a Third-Party Form and send a copy to Clements Centre Society. Your broker will need Clements Centre Society information – see information on the following page. Alternatively, you may



**clements centre**

*for* **FAMILIES**

Sundrops | Adult  
Child Development | Community Living

## Gifts of Securities

make your securities gift using the CanadaHelps Securities gift option. You will need the information on the attached form to make this gift transfer. Your receipt for tax purposes will be issued by CanadaHelps and not Clements Centre Society.

3. IF you are making a gift of securities directly to Clements Centre Society, instruct your broker to complete the transfer. Sending a copy of the attached form to your broker may provide sufficient authorization. You may also wish to follow up closely with your broker to help ensure your instructions are carried out promptly as you prefer.

*Thank You!*

# Gifts of Securities

Why would I consider donating securities instead of donating proceeds from the sale?

## Here's an example:

A donor is considering a \$25,000 donation to Clements Centre Society. She owns publicly listed securities worth at least this amount and is in the 48% income tax bracket. This year, she has made other charitable donations exceeding \$200.

	<b>Sell Securities &amp; Donate Cash &amp; Proceeds</b>	<b>Donate Securities to Clements Centre for Families</b>
Fair Market Value of Securities (FMV)	\$25,000	\$25,000
Initial Cost of Securities	\$5,000	\$5,000
Capital Gain (FMV less cost)	\$20,000	\$20,000
Taxable Gain	\$10,000 (50%)	\$0 (0%)
Tax Payable on Gain (at 48%)	\$4,800	\$0
Charitable Gift Receipt	\$25,000	\$25,000
Tax Credit (at 48%)	\$12,000	\$12,000
Net Tax Benefit from Donation (Tax credit minus tax payable on gain)	\$7,200 (Tax Savings)	\$ 12,000 (Tax Savings)

The donor will eliminate her capital gains tax by donating the securities directly to Clements Centre Society instead of selling the securities and donating the proceeds. **The remaining tax credit from her donation will reduce her other tax payable by \$12,000.** This tax credit can be carried forward for up to five years.

*Income tax and tax savings are for example purposes only and are approximate. We recommend you discuss your gift intentions with your financial, legal and/or tax advisors.*



**clements centre**

*for* **FAMILIES**

Sundrops  
Child Development

Adult  
Community Living

# Gifts of Securities

## TRANSFER OF SECURITIES FORM

This form authorizes the transfer of the securities by the Donor to Clements Centre Society. The donor is responsible to contact their institution to initiate the transfer of securities and forward a scanned copy of this completed form to Dominic Rockall with the subject line: 'Securities Gift -

<Donor Name>

### Declaration of Donor

I, the undersigned, \_\_\_\_\_,  
(First and last name)

direct \_\_\_\_\_  
(Brokerage firm name, address and contact name)

to give/transfer the following security(ies) to Clements Centre Society (Charitable No: 107269466 RR 0001) at: \_\_\_\_\_ (Brokerage ID - \_\_\_\_\_) Account \_\_\_\_\_.

Security Description	CUSIP/ISIN/SEDOL#	Quantity

Please direct my donation to:

- Adult Community Living
- Sundrops Centre for Child Development
- Area of Greatest Need

It is my understanding that this transfer and gifting represents a disposition for which I will be provided a receipt for tax purposes based on the value as of the close of trading on the date the donation is received by Clements Centre Society or CanadaHelps.

\_\_\_\_\_  
Name of Donor/ Transferor

\_\_\_\_\_  
Signature of Transferor/Donor

\_\_\_\_\_  
Date

NOTE: The purpose of this Fact Sheet is to provide general information, not to render legal or financial advice. Any changes in the tax structure may affect the examples listed in this information. Clements Centre Society strongly recommends that a donor consult their own professional advisors, family, and heirs prior to making any significant gift decisions.