

Donate Securities to CODA Through CanadaHelps!

Good news for donors and charities - following the elimination of capital gains on donations of publicly traded securities in 2006, gifts of securities is now the most tax efficient way to make a charitable donation and a great way for donors to make a greater impact with their gift.

CODA is proud to be a partner with CanadaHelps, the first charity in Canada to accept Gift of Securities donations online. Welcome to giving made simple!

What counts as publicly listed securities?

Your donation must be of securities that are traded on a public market in Canada or the United States. This includes stocks, bonds, and mutual funds, but excludes shares in a private corporations and stock options.

How do I actually save more and give more by donating gifts of securities?

Let's say you purchased common shares in ABC Company for a cost of \$1,000. If the current market value of the shares has increased to \$5,000, you would have a capital gain of \$4,000. If you sell these shares, and donate the cash, you would need to pay tax on the capital gain. Instead, by donating the shares, you get a tax receipt for the \$5,000 and pay zero capital gains tax. As a result, you now have a tax credit of \$2,300, which is \$920 more than if you had sold the shares and donated the proceeds. Thus, this method of giving is more tax-efficient.

	Sell Securities and Donate Cash	Donate Securities through CanadaHelps	
Current Market Value	\$5,000*	\$5,000*	← Charity Receives
Adjusted Cost Base	\$1,000	\$1,000	
Capital Gain	\$4,000	\$4,000	
Taxable Capital Gain (50%)	\$2,000	\$0	
Tax On Capital Gain <i>(assuming 46% marginal tax rate)</i>	\$920	\$0	
Tax Credit on Donation <i>(assuming 46% marginal tax rate)</i>	\$2,300	\$2,300	
Net Tax Savings	\$1,380	\$2,300	← You Receive

* Minus 3% transaction fee

Total benefit of donating \$5,000 of appreciated securities over an equivalent gift of cash: **\$920**.

**This information provided is general in nature, does not constitute legal or financial advice, and should not be relied upon as a substitute for professional advice. We strongly encourage you to seek professional legal, estate planning and/or financial advice before deciding upon your donations to charity.*

How long does it take for my donation to reach the charity?

That depends. Generally, most securities take a few days to get to CanadaHelps, and then a few more days to

get to CODA, once you've submitted the Letter of Authorization to your financial advisor. Some securities however, can take a few weeks, e.g., mutual funds. Once CanadaHelps receives the securities and they are sold, they distribute them to CODA in the next disbursement cycle. It can take as little as a week.

How much actually goes to the charity?

As the donation of securities is a transfer in ownership, it is subject to the fee structure you have set up with your broker. CanadaHelps will not levy any transfer fees however, there is a nominal 3% transaction fee. This amount covers all brokerage fees, transaction fees, banking costs, receipting, reconciliation, and disbursements incurred by CanadaHelps. This 3% is deducted based on the proceeds of the sale of securities you donated, before the donation is sent to CODA, and is a modest charge for the service that CanadaHelps provides to Canadian donors and the charities they support.

How and when do I get my tax receipt?

You will receive your tax receipt after your securities have been received in the CanadaHelps brokerage account, and then subsequently valued based on closing bid price. Please note: according to the guidelines of the Canada Revenue Agency (CRA), the actual value of your donation for tax receipt purposes will be determined on the day that your donation is received in the CanadaHelps brokerage account.

What are the next steps?

1. Complete the online form.
2. Submit the Letter of Authorization to your financial advisor.
3. Securities are transferred to CanadaHelps.
4. CanadaHelps sends you a tax receipt.
5. Securities are sold and the donation is forwarded to CODA.