

CARING FOR TOMORROW

SECURITIES GIFTS



The sale of appreciated securities can result in significant capital gains taxation. Gifting these to charity can provide significant tax relief. Listed securities include stocks, bonds, mutual funds, ETF's and certain income trust units which are publicly traded through an exchange. Donors are able to give such gifts during their lifetime and afterward – through their Estate, depending on circumstances and wishes.

The de-mutualization of life insurance companies like Clarica, Sun Life, ManuLife and Canada Life presents a unique opportunity for shareholders to make a special gift.

FEATURES OF GIFTS OF PUBLICLY LISTED SECURITIES:

- | Donation receipt for fair market value of the asset.
- | Donate up to 75% of annual income – with 5 year carry forward beyond.
- | Irrevocable gift with more tax savings than cash gifts.
- | 100% elimination of capital gains taxation!
- | The Foundation pays no tax on sale of the asset.

Gifting securities is easy. Meet with your financial advisor to select the appropriate security to donate. Your advisor then initiates the transfer and shares the details with us. Once the securities are received by the Foundation, a receipt is issued based on market value on the day the Foundation receives them.

It is the practice of Brightshores Meaford Hospital Foundation to redeem securities immediately upon receipt.



Example:

Lynn Williams decides to make a \$50,000 donation to the Foundation's capital campaign. Her income for 2022 is \$75,000. Many years ago, she purchased shares in Publico (a publicly traded company) for \$2,500 which are now worth \$50,000. Lynn and her accountant are evaluating two alternatives: to sell the shares and make a cash gift to the campaign, OR to gift her Publico shares in kind.

Gift Cash vs Securities

	Sell Shares, Donate Cash	Donate Shares in Kind
Regular income for year 2022	\$75,000	\$75,000
Taxable capital gain at 50% (sale) or 0% (donation)	<u>23,750</u>	<u>0</u>
Total 2022 income	\$98,750	\$75,000
2022 Income Tax		
Income tax payable on regular income	\$12,900	\$12,900
Capital gains tax on sale of shares at 48%	11,400	0
Donation tax credit at 46%	<u>(23,000)</u>	<u>(23,000)</u>
Income tax liability (excess credit)	\$1,300	(\$10,100)

Donating the shares in-kind will save \$11,400 in income tax for Lynn!

ABOUT BRIGHTSHORES MEAFORD HOSPITAL FOUNDATION:

Vision: Advancing healthcare close to home.

Mission: Building healthier communities by supporting Brightshores Health System.

We enhance the delivery of high-quality healthcare by raising funds for such things as diagnostic and medical equipment, infrastructure improvements and clinical staff training at Brightshores Health System Meaford Hospital. Furthermore, we adopt a regional approach through our relationships with Brightshores and sister foundations that serve the broader population of Grey and Bruce Counties.

PLEASE CONTACT:

Vince Rogers, Executive Director

519-538-1311 x4408

vkrogers@brightshores.ca

Willard VanderPloeg, Charitable Giving Advisor

519-376-2121 x2736

wvanderploeg@brightshores.ca

www.mhfoundation.ca/securities



229 Nelson Street West,
Meaford, ON N4L 1A3
Charitable # 11903 6408 RR0001

This fact sheet provides a brief overview on planning a gift to Brightshores Meaford Hospital Foundation. It is general in nature and subject to change according to individual circumstances. Consult your professional advisors for information tailored to your particular circumstances and to confirm applicable tax benefits.