

Did you know?



**after taxes*

***All figures are approximate. This information is not intended as legal or financial advice. We encourage you to consult a qualified professional to discuss tax-efficient ways to include a legacy gift in your estate.*

Giving of non cash assets may be a great option. The benefits of making non cash donations such as shares, mutual funds and other securities to the charities of your choice are quite clear. You will likely have a capital gain on the assets if their value at the time of donation is greater than their value at the time you got them. Normally, 50% of the capital gain must be treated as taxable income. When appreciated securities are transferred 'in kind' to a registered charity, Canada Revenue Agency (CRA) deems that any **taxes resulting from a capital gain are completely eliminated.**

Gift of your Shares directly to a charity

Sale of Shares and Gifting of Proceeds

| | | |
|--------------------------------------|-----------------|---------------------------------------|
| Value of Shares/Proceeds of Sale | \$50,000 | \$50,000 |
| Original Cost of Shares | \$10,000 | \$10,000 |
| Gross Capital Gain | \$40,000 | \$40,000 |
| Taxable Portion of Capital Gain | \$0 | \$20,000 (50%* of Gross Capital Gain) |
| Tax Bill to be Paid | \$0 | \$10,000 |
| Gift to Charity | \$50,000 | \$40,000 net of taxes |
| Gift tax credit | \$25,000 | \$20,000 |
| Cost to Donor (includes tax credits) | \$25,000 | \$40,000 |

**actual amount depends upon tax bracket and province of residence.*

Contact us to find out the best option for you. Our Partners at Advisors with Purpose can help you create your own personal, confidential estate plan. It's free, there is no obligation and no one will sell you anything. Contact them today at 1.866.336.3315 or plan@advisorswithpurpose.ca to schedule a time to meet with an advisor.