



**United Way**  
Winnipeg

# Consider the possibilities

## Gifts of Listed Securities

Canadian tax rules make it advantageous to gift certain publicly listed securities to charity. This is because the tax laws effectively eliminate the tax on capital gains that arise when a person gifts Listed Securities, which are capital property that has appreciated in value, to a charity. The types of securities that will benefit from these rules are listed in the column to the right.

Note that amendments to the Income Tax Act mean that in some circumstances, the Alternative Minimum Tax (AMT) may apply to gifts of Listed Securities made after December 31, 2023. The illustration of tax benefits on this page assumes that the AMT does not apply. Donors considering a gift of Listed Securities should consult their financial advisors or accountants regarding the potential impact of these amendments.

### Gifts of the following securities benefit from these rules:

- Shares, debt obligations and rights listed on a designated stock exchange
- Shares of the capital stock of a Canadian public mutual fund corporation
- Units of widely held Canadian mutual fund trusts
- Interests in related segregated fund trusts
- Prescribed debt obligations

### Benefits of donating appreciated securities to charity:

- Donation receipt for fair market value of the securities on the date transfer is received
- Transfers can be made at any time, including in your Will
- Donor's capital gains tax on the securities is eliminated
- Charity pays no tax on the sale of the securities

Note that in order to eliminate the entire gain up to the date that the gift is made, the gift provided for in your Will must be made by your "graduated rate estate" (or former graduated rate estate) and be completed no later than three (or five) years following death

### Illustrating Tax Benefit

If, for example, a donor wishes to make a gift of \$10,000 to United Way Winnipeg, the donor could make this gift in cash or by way of a gift of securities. The securities have appreciated in value from the donor's original cost of \$2,000 to their present value of \$10,000.

The chart illustrates the tax benefits of donating the securities rather than cash.\*

\*This example illustrates approximate amounts only and is based on a taxpayer resident in Manitoba, subject to tax at the top marginal rate applicable to income under \$200,000, and the current tax rates. The actual tax credit will vary depending on your taxable income and your province of residence. Tax rates are subject to change. Capital gain tax saving is equivalent to the tax payable on the capital gain that would otherwise have been payable had the securities been liquidated by the donor. A higher marginal tax rate applies to income exceeding \$200,000, and the federal tax credit has been increased to fully offset federal tax to the extent gifts are made from income over \$200,000. This example assumes the Alternative Minimum Tax does not apply, but it may, in some cases, apply to gifts made after 2023.

|                                    | DONATE<br>CASH | DONATE<br>SECURITIES |
|------------------------------------|----------------|----------------------|
| Market Value                       | \$10,000       | \$10,000             |
| Cost Base                          | n/a            | \$2,000              |
| Capital Gain (proceeds less cost)  | n/a            | \$8,000              |
| Tax Portion of Capital Gain        | n/a            | \$0                  |
| Tax Portion of Capital Gain at 46% | n/a            | \$0                  |
| Capital Gain Tax Saving*           | n/a            | \$1,840              |
| Charitable Tax Credit at 46%       | \$4,600        | \$4,600              |
| Total Tax Savings*                 | \$4,600        | \$6,440              |
| <b>Net Cost of a \$10,000 Gift</b> | <b>\$5,400</b> | <b>\$3,560</b>       |

The purpose of this publication is to provide general information, not to render legal advice. In addition, any changes in the tax legislation may affect the examples listed in this information. You should consult your lawyer or other professional advisor on how this may apply to your situation. United Way Winnipeg will be pleased to work with you and your advisors to maximize the benefit of any gift.

Florence Carey, LL.B  
Not-For-Profit and Charity Lawyer

United Way Winnipeg reserves the right not to accept certain securities (i.e. securities not readily marketable or easily converted to liquid assets). Please note that some mutual fund companies can take up to 3-4 weeks to complete a transfer, so please ensure sufficient processing time around calendar year-end. **For each security donated, a minimum of \$1,200 must represent a donation to United Way Winnipeg.**

# Gift of Securities Transfer Form

## You initiate this transfer by:

- 1** Completing the requested information on this form.
- 2** Providing a copy of this form to your investment advisor to initiate the transfer of securities to United Way Winnipeg's brokerage account.
- 3** Email a copy of this completed form to United Way Winnipeg at [gos@unitedwaywinnipeg.ca](mailto:gos@unitedwaywinnipeg.ca) as well as the chosen broker (RBC Dominion or Richardson Wealth) based on their contact info noted below.

Please see below for brokerage information. Either RBC Dominion Securities or Richardson Wealth Limited can be used.

## To be completed by Donor:

|                                        |                                      |
|----------------------------------------|--------------------------------------|
| Name of Donor:                         | Daytime Telephone:                   |
| Address of Donor:                      |                                      |
| Name of Donor's Investment Advisor:    | Advisor's Telephone:                 |
| Address of Delivering Institution:     |                                      |
| Account # at Delivering Institution:   |                                      |
| Name of Security:                      | # of Shares Transferred:             |
| Approx. Value of Each Share: \$        | Approx. Total Amount of Donation: \$ |
| United Way Winnipeg Brokerage Account: | Date of Transfer:                    |

This letter will serve as your authorization to release the securities above to the account of United Way Winnipeg. I understand that I will receive a tax receipt from United Way Winnipeg for the closing price of these securities on the date the transfer is received into United Way Winnipeg's brokerage account. These securities have been donated to United Way Winnipeg without restriction and can be sold by United Way Winnipeg at any time.

Signature of Donor: \_\_\_\_\_ Date: \_\_\_\_\_

United Way Winnipeg reserves the right to not accept certain securities (i.e. securities not readily marketable or easily converted to liquid assets). Please note that some mutual fund companies can take up to 3-4 weeks to complete a transfer, so please ensure sufficient processing time around calendar year-end. **For each security donated, a minimum of \$1,200 must represent a donation to United Way Winnipeg.**

## United Way Winnipeg Brokerage Account Information:

### RBC Dominion Securities

Investment Advisor: Douglas Kerr Phone: 204-982-2734  
Account # 783-0457912, CUID: DOMA, DTC: 5002  
**Email completed form to Rose Gilberto at [Rose.Gilberto@rbc.com](mailto:Rose.Gilberto@rbc.com)**

### Richardson Wealth Limited

Investment Advisor: Allison Darroch Phone 204-953-7853  
Account #: H1R-YP00-A (CAD), H1R-YP00-B (USD), CUID: FIDC, DTC: 5040, Rep. Code: HW01  
**Email completed form to Aaron Duncanson at [Aaron.Duncanson@RichardsonWealth.com](mailto:Aaron.Duncanson@RichardsonWealth.com)**