

# Capital Campaign: Ways of Giving



There are unique ways of planning your gift to the Huron Christian School Capital Campaign, some of which offer increased tax benefits. More than one type of gift combination may also work well for you. We suggest all donors seek professional advice as to their own personal financial situation.

## Cash Gifts

Cash donations to the Campaign are acceptable as outright gifts or in the form of a pledge. Pledges are payable over a 3-year period, and if necessary can be extended to 5 years. Typically, the first pledge payment is made in the year in which the pledge is committed; however, an alternative pledge period can be tailored to your personal needs in consultation with the Campaign Office. Moreover, if your situation is such that an extended pledge period beyond 3 to 5 years is necessary, we would be pleased to work with you to identify the most appropriate arrangements.

## In Kind Gifts

In Kind donations are at times the best way for a company to make a significant contribution to a capital campaign. In Kind donations may be in the form of product or services. Each of these gifts is treated differently through Canada Revenue Agency. Charitable tax receipts may be issued for donations of product, whereas, a gift of services is not eligible. If a charitable tax receipt is requested for gift of services, the donor must invoice the school for the value of the service; the school must then pay for those services which the donor then donates back to the school. If this process is followed, then a tax receipt may be issued.

## Gifts of Securities

Often a more tax effective way to make a major donation without the encroachment of liquid assets is via a gift of securities (i.e. stocks, bonds, mutual fund units and other securities), particularly those which have significantly increased in value since their acquisition. *When making donations of appreciated property, it is best to transfer it directly to a charity rather than selling it first and donating the cash proceeds.* When donating the actual security directly to the charity, Revenue Canada allows the taxable portion of the gain (or the inclusion rate) to be zeroed. The charitable tax credit amounts to 40% of the donated value and can be used to reduce other tax liabilities. This type of gift can be easily transferred and processed by Huron Christian School. We ask that you contact the Campaign Office first for our policies and procedures.