

Planned Giving

Gifts of Stocks, Mutual Funds, and Bonds

Gifts of stocks, mutual funds, and bonds are an attractive option for giving. When you give gifts of shares, bonds, or mutual funds listed on a public stock exchange, you will not pay tax on any capital gain. Because you also qualify for a charitable tax receipt based on the fair market value of your gift, the net cost of a donation of stocks, etc., may be less than a gift of an equivalent amount of cash.

The process is simple. At your direction, your broker will transfer your stocks, mutual funds, or bonds to The United Church of Canada Foundation. The Foundation then sells the shares on the day your gift is received. The Foundation issues you a charitable tax receipt for 100 percent of the market value of the gift. The Foundation then directs the proceeds of the sale to whatever United Church congregation, program, or ministry you wish. Your congregation may have its own broker to facilitate gifts of securities, but the United Church Foundation is happy to help if you do not.

You may also wish to consider donating stocks, mutual funds, and bonds in your will instead of making a cash bequest. Because capital gains will not be taxed, your estate may realize considerable tax savings that could increase the amount going to your beneficiaries.

Benefits of a Gift of Stocks, Mutual Funds, and Bonds

- You have the satisfaction of knowing your gift will support transformational ministry.
- The church benefits from your gift now or whenever you make it.
- You make a gift without depleting your current bank account.
- You choose the area of work you would like your gift to support.
- You receive a tax receipt for the full fair market value of your gift.
- You avoid capital gains tax.
- The only fee is the \$9.95 the Foundation's brokerage charges to sell the shares.

“For a long time we have had an interest in ways to help the needy people of the world. Our accountant recommended gifting mutual fund shares to one of the church’s outreach funds. We chose to contribute in this way.”

—Bill and Audrey Bergey, Waterloo, ON



THE UNITED CHURCH OF CANADA
FOUNDATION

300-3250 Bloor St. West
Toronto, ON M8X 2Y4
T. 1-866-340-8223 • F. 416-231-3103
www.unitedchurchfoundation.ca

GOD'S MISSION
OUR GIFTS

The information provided is for donors to The United Church of Canada. We have made every effort to ensure accuracy, but the information may not apply in every situation. Please check with your personal professional advisers.

The United Church of Canada Charitable Number 10810 2435 RR0003 • The United Church of Canada Foundation Charitable Number 8631 09021 RR0001

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“The church has always been an important part of my life—like an extension of my family. An appeal was made for financial support to establish a building fund. It was both possible and practical for me to make a gift of listed securities. There was a tax benefit for me, and the church will benefit from the increasing value of the gift until such time as they choose to use it for the building fund. But most of all, I was really happy that I could support my church in this way.”

—Grace Race, Victoria, BC

An Example of Generosity

Mrs. K. wishes to make a gift of shares worth \$50,000 to support the United Church’s Mission & Service-supported programs and ministries. The original purchase price of the shares was \$20,000. Assume she is taxed at a rate of 46 percent and her combined federal and provincial charitable tax rate is also 46 percent. See the difference in taxes paid if she sells the shares and donates the proceeds versus donating the shares directly to the church.

	Sells Shares, Donates Proceeds	Donates Shares to the Church
1. Value of the shares	\$50,000	\$50,000
2. Donation receipt	\$50,000	\$50,000
3. Original purchase price	<u>\$20,000</u>	<u>\$20,000</u>
4. Capital gain	\$30,000	\$30,000
5. Taxable gain (line 4 x 50%)	\$15,000	\$0
6. Donation tax credit (calculated at 46%)	\$23,000	\$23,000
7. Tax on capital gain (line 5 x 46%)	<u>\$6,900</u>	<u>\$0</u>
8. Net tax savings (line 6 - line 7)	\$16,100	\$23,000

To facilitate your gift, please contact the Foundation. We will send forms for you to authorize the transaction and for your broker to complete to initiate the transfer.

For More Information

Please contact fdn@united-church.ca or 1-866-340-8223.



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