



OVERVIEW OF THE TAX TREATMENT OF CHARITABLE DONATIONS

THIS IS A BRIEF SUMMARY TO RAISE AWARENESS AND SHOULD **NOT BE A SUBSTITUTE FOR CONSULTING A TAX PROFESSIONAL ABOUT YOUR SITUATION.**

- Charitable donations made by both spouses/partners may be totalled and claimed by either person.
- The amount a donor can donate and receive a tax receipt for is not limited but in all provinces except Quebec a donor can only claim a charitable tax credit equal to or less than 75%(100%in Quebec) of net income in the year of donation. However, you can carry forward excess donations for up to five years as long as you remain within the 75% limit each year.
- Donations claimed in the year of death or in a subsequent tax return amendment of the year immediately proceeding death can claim up to 100% of net income in those years.
- The 75% limit is increased to 100% for certain donations of ecologically sensitive lands and certified cultural property and this type of gift is exempt from capital gains tax.
- Gifts of publicly traded securities can be an advantageous way to donate. In addition to receiving a donation tax receipt for the value of the securities, any tax payable on applicable capital gain is eliminated.
- In addition to a tax professional, a good source of information on taxation and charitable giving is the CRA pamphlet "Gifts and Income Tax" available on their website.

Revised: Nov 19, 2022