



# GIFTS OF SECURITIES

## A GIFT OF SECURITIES

Gifts of securities are a cost-effective opportunity to transform an asset into immediate and significant support for Plan International Canada. By donating appreciated stocks, mutual funds or stock options, you eliminate the capital gains tax you'd have to pay if you sold your appreciated securities, and you receive a charitable tax receipt for your donation. A gift of securities, therefore, benefits you more than giving cash, and allows you to make a larger gift for less, while amplifying the impact in the lives of children.

## WHY PLAN INTERNATIONAL CANADA

Plan International Canada is a registered charity and a member of a global organization dedicated to advancing children's rights and equality for girls. We have been building powerful partnerships for children for over 80 years and are now active in more than 70 countries.

We are calling on our supporters to believe in the power and potential of every child and to take a stand anywhere children are oppressed, exploited or left behind and anywhere girls aren't equally valued.

Together, we can create a world where all unleash their full potential.

## THE ADVANTAGES

- You pay no tax on the capital gains that have accumulated on the securities
- You receive a charitable tax receipt for your donation and have the satisfaction of seeing the impact your gift has made
- You may choose to donate a portion of your stock and retain the remainder for personal use
- You can donate the securities immediately or as part of your estate planning

*\*Plan International Canada strongly recommends you seek the professional services of a lawyer, accountant or financial advisor to ensure that your financial goals are considered, your tax situation reviewed, and your planned gift tailored to best fit your circumstances.*

## SAVING MONEY WHILE SAVING LIVES

Jack and Lynn Brooks have been donating to Plan International Canada since 1982 when they decided to sponsor a child. But it wasn't until their daughter, who works as an accountant, suggested they consider donating securities to Plan International Canada, that they discovered a more tax effective way to make their donations count. Realizing they could continue to support a cause close to their heart while eliminating capital gains tax, they called Plan International Canada. After completing a simple form, they were all set to capitalize on this tax-smart giving option.

"It's a very simple process" said long-time donor Jack. "Better for Plan International and better for us."

Lynn explains, "Jack and I are both retired now and it's an excellent way to donate to organizations that we feel quite strongly about," she said. "We pick a stock that has realized a gain and donate it to charity. It's a win-win."

## SCENARIO\*: GIFT OF APPRECIATED SECURITIES

	SELL SHARES & DONATE CASH	DONATE SHARES DIRECTLY
TODAY'S SELLING PRICE	\$50,000	\$50,000
ORIGINAL PRICE	\$10,000	\$10,000
CAPITAL GAIN	\$40,000 (\$50,000 current value - \$10,000 purchase price)	\$40,000 (\$50,000 current value - \$10,000 purchase price)
TAX ON CAPITAL GAIN	\$10,000 (\$40,000 capital gains x 50% taxable gains x 50%**)	\$0 (No capital gains tax payable on donated shares)
TAX CREDIT	\$25,000 (\$50,000 donation x 50%**)	\$25,000 (\$50,000 donation x 50%**)
TAX SAVINGS FROM DONATIONS	\$15,000 (\$25,000 - \$10,000 tax on capital gains)	\$25,000
TOTAL TAX SAVINGS	\$15,000 (\$25,000 tax credit - \$10,000 tax on capital gains)	\$35,000 (\$25,000 tax credit + \$10,000 in tax on gain not paid)
ACTUAL COST OF GIFT	\$35,000 (\$50,000 gift - \$15,000 total tax savings)	\$15,000 (\$50,000 gift - \$35,000 total tax savings)

\*Scenario for illustrative purposes only.

\*\*Assumes gift made in Ontario at a marginal tax rate of 50%.

## NEXT STEPS

1. Contact your financial advisor to decide which investments make the most financial and philanthropic impact.
2. Ask your broker to transfer your securities to Plan International Canada's broker by completing the securities transfer form available online at [plancanada.ca/securities](https://plancanada.ca/securities)
3. Plan International Canada will sell the stock and receive the current value.
4. You will receive a tax receipt for the full closing value of the stock on the day Plan International Canada's brokers receive them without having to pay any capital gain!

For more information on gifts of securities, please contact:

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