



By the power at work within us
God can accomplish abundantly more than
all we can ask for or imagine. – Ephesians 3:20



Gifts of Publicly Traded Securities

(adapted with permission from the United Church)

A gift of **Publicly Traded Securities** is an attractive option for many donors. When you transfer shares, bonds, or units of mutual funds listed on a prescribed public stock exchange to a registered charity, you will not pay tax on the capital gain. Because you also qualify for a charitable tax receipt based on the asset's fair market value, the net cost of a gift of securities may be less than a gift of an equivalent amount of cash.

The Presbyterian Church in Canada (PCC) will receive gifts of securities for any of its ministries – *Presbyterians Sharing*, *PWS&D*, *Gifts of Change*, etc. – or for any congregation in the PCC. Giving a gift of securities to the PCC is simple. At your direction, your broker will electronically transfer your securities to The Presbyterian Church in Canada's brokerage. The PCC's broker then sells the stock very soon after receiving the transfer. Based on the fair market value of the stock on the day it was donated, the PCC issues you a charitable tax receipt. The PCC then directs the proceeds of the sale (reflecting any change in value from date of sale minus the broker fees) to whatever PCC congregation, program, or ministry you wish.

You may also wish to consider donating listed securities in your will. Because capital gains will not be taxed, your estate may realize considerable tax savings from your gift while preserving capital for your beneficiaries.

Benefits of Gifting Securities

- **Satisfaction** – You have the satisfaction of knowing your legacy gift will support transformational mission and ministry.
- **Flexibility** – The church can benefit from your gift now or in the future.
- **Cost-Effective** – You make a gift without significantly depleting your current bank account.
- **Control** – You choose the area of work you would like your gift to support.
- **Tax Planning** – You or your estate receive a tax receipt for the full fair market value of your gift and you or your estate avoid capital gains on any gift of securities.

Examples of Generosity

“When we walked through the doors of Knox as virtual strangers several years ago we knew almost instinctively that we were “Home”. Over the years of moving to various towns and cities we had always attended church and quite frankly we were not in a position to contribute a great deal financially. However I have always been aware that a church was available to us through the efforts of others, in some cases over many generations. It is our responsibility at this time to ensure that Knox is never compromised as a place of worship as we continue developing empowered and loving disciples of Christ.”

~ Member & donor of a gift of securities from Knox Oakville

The Presbyterian Church in Canada

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Mr. Smith wishes to make a gift of shares worth \$50,000 to support The Presbyterian Church in Canada's *Presbyterians Sharing* fund – which supports vital programs and ministries across the whole church. The original purchase price of the shares was \$20,000. Assuming he is taxed at a rate of 46 percent and his combined federal and provincial charitable tax rate is also 46 percent. See the difference in taxes paid if he 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	\$20,000	\$20,000
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 5 – line 6)	\$16,100	\$23,000

Please Seek Professional Advice: The Presbyterian Church in Canada strongly recommends that you seek professional advice to ensure that your financial situation and those of your dependents are considered; that your tax situation is reviewed; and that your legacy gift is tailored to your circumstances. To help facilitate your gift, please contact Michael Scheidt, Gifts Administrator, at 416-441-1111 / 1-800-619-7301 ext. 239 or email mscheidt@presbyterian.ca.

You can also download a Gift of Securities transfer form from our website:

http://presbyterian.ca/plannedgiving/publicly_traded_securities/ or we can mail or email a transfer form for you to author the transaction and instruct your broker to complete the transfer.

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Charitable Registration No. 123456789