

TAX BENEFITS

Tax benefits make giving to United Way even more attractive.

An individual who makes a gift to United Way receives a federal tax credit against income taxes. The annual federal tax credit is equal to 15 percent of the first \$200 donated by an individual and 29 percent of the amount exceeding \$200.

* Taxable income less than \$202,800

Gift amount*	Total tax savings	Actual cost to you
\$100	\$20	\$80
\$200	\$40	\$160
\$500	\$160	\$340
\$1,000	\$361	\$639
\$5,000	\$1,968	\$3,032

Donating publicly traded securities

The Capital Gains Tax was removed from publicly traded shares that have been donated. This means that the donor receives a tax receipt for the full value of the shares but is not taxed on any gain. A minimum of \$1,200 of the total gift must remain with United Way Greater Toronto, United Way service area or other United Way in Canada.

The benefits are clear...

If you sell a security, you pay tax on 50 percent of the capital gain. However, when you donate a Gift of Security to United Way Greater Toronto the taxable capital gain is completely eliminated.

You will also receive a tax receipt for the full market value of the security in the amount of the closing trading price on the day United Way Greater Toronto received the security.

This multiplies the impact of the tax benefit of your charitable giving.



Example: Tax benefit of donating publicly traded gifts of securities to United Way Greater Toronto		
	1. Sell securities and donate after-tax proceeds	2. Donate securities through UWTYR
Current Market Value	\$10,000	\$10,000
Cost of Security	\$5,000	\$5,000
Capital gain	\$5,000	\$5,000
Taxable capital gain (50%)	\$2,500	\$0
Tax due on gain at Marginal Rate (e.g., 43%)*	\$1,085	\$0
Tax receipt amount	\$8,915	\$10,000
Total tax credit*	\$3,869	\$4,340
Net tax savings	\$2,784	\$4,340

* Examples use Ontario Federal and Provincial combined tax rate

Making a Gift of Securities is as easy as calling 416-359-2093