



Donate shares to Portage and enjoy significant tax benefits

As the end of the fiscal year approaches, it will be relevant to assess whether **donating securities** could be among optimization strategies to be considered. For any donor, donating securities could potentially further optimize their tax situation. Let's find out why.

Taxes due on capital gains after selling securities (shares, bonds, funds) in a non-registered account is a taxable event that can be avoided by the investor. Donating this security to a registered charitable organization will allow the donor to **be exempt from capital gains taxes** while allowing him to **benefit from the tax credit for this donation**.

Here is an example of the tax benefit:

	Option 1 \$10,000 donation Proceeds from selling shares	Option 2 Donation of shares
Proceeds from the sale	\$10,000	\$10,000
Capital gains	\$8,000	\$8,000
Taxable gains (50% of \$8,000)	\$4,000	0
Taxes on gain (45% of \$4,000)	- \$1,800	0
Tax credit (45% of \$10,000)	\$4,500	\$4,500
Tax gain (\$4,500 - \$1,800)	\$2,700	\$4,500
Donation cost	\$7,300	\$5,500

Have you ever considered whether it is better to donate securities **instead of money** to the organization of your choice?

For information on how to transfer a donation in securities, please contact Colette Taylor, Vice-President, Philanthropic Development, at 514 939-0202, extension 1123.

www.portage.ca

Charitable Organization Registration Number:
12915-1072-RR0001

