

## **Donating Stocks or Mutual Funds to Wind Athletes Canada**

### **Why Donate Stocks of Mutual Funds?**

When a donation of cash is made the donor receives a donation receipt for the exact amount of money donated. These donations are made with after tax dollars, meaning if the money donated is from their earned income, it is from income which the donor has already paid income tax.

When stocks or mutual fund units are donated, the donor does not sell the security, so no capital gains tax is paid by the donor. This allows the donor to effectively donate with before tax dollars and receive the benefit of the tax deduction for the entire value of the donation. This is especially beneficial to donors who have significant capital gains on that security because the donor never pays that tax and thus realizes a deduction on the before tax value of the security.

The precise amount of this benefit will depend of the tax payor's particular circumstances such as, income tax bracket, gross income (deductibility of donations is usually maxed out at 18% of gross income), other donations made in the year, the amount of the capital gain on the securities donated, etc. Donors should seek the advice of their accountant for precise calculations on how much of the donation can be used as a tax deduction.

### **How to Donate Stocks of Mutual Funds to WAC**

Wind Athletes Canada has an iTrade account with the Bank of Nova Scotia allowing it to receive donations of publicly traded securities such as stocks and mutual funds.

### **There are two forms to be completed:**

- 1. Direct Transfer of Stock or Mutual Funds**
- 2. Letter of Direction Regarding Distribution of Proceeds**

#### **STEP 1**

The donor must complete both forms and email them to:

[john@windathletes.ca](mailto:john@windathletes.ca)

[Lana@windathletes.ca](mailto:Lana@windathletes.ca)

#### **STEP 2**

The donor must **send the Direct Transfer of Stock or Mutual Funds Form only** to their brokerage, which will transfer the Stocks or Mutual Fund units.

#### **STEP 3**

Wind Athletes Canada will issue the donor a donation receipt for the value of the securities on the date they are sold in accordance with the donor's instructions regarding the timing of the redemption as set out in the Direct Transfer of Stock or Mutual Funds Form

If you have any questions please contact: [john@windathletes.ca](mailto:john@windathletes.ca)