

GIFT OF PUBLICLY LISTED SECURITIES



WHAT IS A GIFT OF PUBLICLY LISTED SECURITIES?

A gift of publicly listed securities (on the Montreal, Toronto or Vancouver stock exchange), bonds, mutual fund shares and other similar securities is one of the most advantageous ways, tax-wise, to make a donation to Fondation Hôpital Charles-LeMoine.

When securities are transferred directly to the Foundation (rather than donating the proceeds from the sale), the donor is exempt from paying capital gains tax.

This can be an **immediate** or **future** donation.

WHAT ARE THE ADVANTAGES FOR YOU?

- No capital gains tax on the securities donated.
- You receive a tax receipt that corresponds to the full market value of the securities at the time of transfer.
- If the securities are held by a management company: increase in the capital dividend account (CDA) balance corresponding to the non-taxable capital gain, making it possible to pay the shareholder a sum equivalent to this capital gain, tax-free.

FOR WHAT TYPE OF DONOR?

Anyone holding publicly listed securities, especially if they have appreciated.

[Ask for our gift of publicly listed securities form, or download it from \[fhclm.ca/planned-gifts\]\(http://fhclm.ca/planned-gifts\).](#)

A PLANNED GIFT

**SO THAT
YOUR GENEROSITY
LIVES ON**

PLANNING A GIFT OF PUBLICLY LISTED SECURITIES IS ABOUT DEFINING WHAT YOU HOLD DEAR, MAKING DECISIONS AND TAKING STEPS TO ENSURE THAT YOUR GENEROSITY HAS A LASTING LEGACY!

QUESTIONS?

CONTACT US

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EXAMPLE OF A GIFT OF PUBLICLY LISTED SECURITIES

Gilles owns shares in company XYZ, purchased a few years ago for \$5,000. Today, they are worth \$20,000. He wants to make a \$20,000 donation to Fondation Hôpital Charles-LeMoyne.

The example illustrates the difference between a direct securities donation (scenario 2) to the Foundation and a sale of the securities and a donation of the proceeds (scenario 1).

	SCENARIO 1	SCENARIO 2
	Sale of shares and donation of the proceedings	Direct donation of shares
Value of the donation	\$20,000	\$20,000
Taxable capital gain (gain of \$15,000 x 50%)	\$7,500	\$0
Capital gain tax (50%)	\$3,750	\$0
Charitable donation tax credit	\$10,000	\$10,000
Tax savings	\$6,250	\$10,000
Cost of donation	\$13,750	\$10,000

Note: The calculations in this example have been simplified for demonstration purposes. The charitable donation tax credit and tax payable were rounded off to 50%. Fondation Hôpital Charles-LeMoyne does not give financial or legal advice. The examples provided are for illustrative purposes only. We encourage you to consult your financial or legal advisor to make sure that the option you choose takes into account your particular situation.

