

CARING FOR TOMORROW

SECURITIES GIFTS



The sale of appreciated securities can result in significant capital gains taxation. Gifting these to charity can provide significant tax relief. Listed securities include stocks, bonds, Exchange Traded Funds, mutual funds and certain income trust units which are publicly traded through an exchange. Donors are able to give such gifts during their lifetime and afterward – through their Estate, depending on circumstances and wishes.

The de-mutualization of life insurance companies like Clarica, Sun Life Assurance Company, Manufacturers Life and Canada Life presents a unique opportunity for shareholders to make a special gift. The Foundation has been the recipient of a growing number of these types of gifts.

FEATURES OF GIFTS OF PUBLICLY LISTED SECURITIES:

- | Donation receipt for fair market value.
- | Donate up to 75% of annual income – with 5 year carry forward beyond.
- | Irrevocable gift with more tax savings than cash gifts.
- | 100% elimination of capital gains taxation!
- | SSHF pays no tax on redemption of the securities.

Gifting securities is quite simple. Meet with your financial advisor to select the appropriate security to transfer, contact us at the Foundation and the transfer can be done electronically. Once the shares are received by Saugeen Shores Hospital Foundation, a receipt will be issued for their market value on the day the shares are received into our account.

If you wish to give securities held in certificate form, please contact the Foundation.



Example:

Lynn Williams decides to make a \$50,000 donation to the Light the Way Campaign. Her income for 2025 is \$75,000. Many years ago, she purchased shares in Publico (a publicly traded company) for \$2,500 which are now worth \$50,000. Lynn and her accountant are evaluating two alternatives: to sell the shares and make a cash gift to the campaign, OR to gift her Publico shares in kind.

Gift Cash vs Securities

	Sell Shares, Donate Cash	Donate Shares in Kind
Regular income for 2025	\$75,000	\$75,000
Taxable capital gain at 50% (sale) or 0% (donation)	<u>23,750</u>	<u>0</u>
Total 2025 income	\$98,750	\$75,000
2025 Income Tax		
Income tax payable on regular income	\$12,900	\$12,900
Capital gains tax on sale of shares at 48%	11,400	0
Donation tax credit at 46%	<u>(23,000)</u>	<u>(23,000)</u>
Income tax liability (excess credit)	\$1,300	(\$10,100)

Donating the shares in-kind will save \$11,400 in income tax for Lynn!

ABOUT SAUGEEN SHORES HOSPITAL FOUNDATION:

Our Mission: Inspiring and empowering our communities to invest in advancing healthcare within the Brightshores Health System.

We are one of five Foundations that support Brightshores Health System hospitals in Lion’s Head, Markdale, Meaford, Owen Sound, Wiarton and Saugeen Shores. Funds raised are used to purchase medical equipment and support other projects such as facility improvements, medical research and clinical staff education.

No government funding is provided for new and replacement equipment. Donor support is key to ensuring that our Hospital continues to thrive!

PLEASE CONTACT:

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This information provides a brief overview on planning a gift to Brightshores Health System Saugeen Shores Hospital Foundation. It is general in nature and subject to change according to individual circumstances. You should always consult your own professional advisors for detailed information tailored to your own circumstances and to confirm applicable tax benefits.