



United Way
Thunder Bay

TAX BENEFITS

Tax benefits make giving to United Way even more attractive.

When a donor makes a gift to United Way, they will receive a Federal and Provincial tax-credit against income taxes*. The Federal charitable tax-credit is 15% for the first \$200 donated and 29% on the amount over \$200 and the Provincial tax-credit in Ontario is 5.05% on the first \$200 and 11.16% for amounts over \$200. The Federal charitable tax-credit is 33% for amounts over \$200 where the individual has taxable income at the 33% personal income tax rate.

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

* Taxable income less than \$214,368

* Examples use Ontario Federal and Provincial combined tax rate

Donating publicly traded securities

When you donate publicly listed securities, the tax on Capital Gains will be eliminated PLUS you receive a donation tax credit for the donation. This means that the donor receives a tax receipt for the full value of the shares and is not taxed on any Capital Gain.

If you sell a security, 50% of the value of the Capital Gains are taxable. However, when you **donate a Gift of Security** to United Way, 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, received the security.

This **multiplies** the impact of the tax benefit of your charitable giving- **Securities** are the **most efficient way** of donating to United Way Thunder Bay.

Example: Tax benefit of donating publicly traded gifts of securities to United Way Oxford		
	1. Sell securities and donate after-tax proceeds	2. Donate securities through United Way Thunder Bay
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	\$2,787	\$4,340

* Examples use Ontario Federal and Provincial combined tax rate