

Celebrate, Nurture and Share

Donating Publicly Held Securities

So what does it mean to donate publicly held securities? How does it work?

Publicly held securities are assets such as bonds, stocks and mutual funds. People may own these in the form of an account with a financial institution, or be in possession of the actual share certificates.

West End CRC has a brokerage account with Qtrade which allows donors to donate publicly held securities to West End ministries, and ministries supported by West End. Donating in this way can represent a significant tax advantage to the donor, as any capital gain is eliminated, and the donor obtains a full contribution receipt for the value of the securities. See the chart below to illustrate how donating securities will benefit the donor and West End.

The left side of the chart shows what happens when a donor sells the securities, pays the taxes on the increase in value of the shares, and donates the proceeds. The right side shows what happens when the donor donates those actual shares to West End.

	Sell Security-donate net proceeds to West End	Transfer security to West End, West End Sells Security
Sale price of Security	\$10,000	\$10,000
Original purchase price of security	\$2,000	\$2,000
Capital Gain	\$8,000	Eliminated
½ Capital Gain taxable	\$4,000	No tax payable
Tax Payable (39%*)	\$1,920	No tax payable
Net proceeds to donate	\$8,080	\$10,000
Tax credit (50%**)	\$4,040	\$5,000

*Top marginal tax rate

**Assume sufficient taxable income

Donating securities is a great way to benefit West End ministries, while at the same time being financially beneficial to the donor!

So how does it work? Read on!

The process to donate securities is really quite simple.

1. You need to advise your own brokerage company, by the communication you normally use, that you would like to initiate a transfer of shares to West End Christian Reformed Church of Edmonton. (If you have the actual share certificates in your possession, please contact Steve Vriend and we will facilitate the process to get those certificates to Qtrade.)

2. Your broker will require some or all of the following information:

West End's broker: Qtrade

Account name: West End Christian Reformed Church of Edmonton

Account number: Q5K9BJEA

CUID#: QTRD

3. It is very important that you advise Steve Vriend when you initiate this process by phone 780-446-3609, or by email at steve.vriend@maximummobility.ca.
4. You will need to also fill out a portion of the "Voluntary Donation to Charitable Organizations" form. To download the form, please click [here](#). Please fill out sections 3 and 4 of the form, sign in section 5 as the "Grantor", and date it. Please forward this form to Steve Vriend, **ALONG WITH A COPY OF YOUR PHOTO ID**, who will fill in the rest of the form and send it to Qtrade. (Contact Steve Vriend as per instructions below and he will coordinate getting the form from you.)
5. You will receive a tax receipt equal to the value of the donated shares **AT THE CLOSE OF TRADING ON THE DAY** that the transfer was initiated by the donor (as this is when the donor effectively transferred the ownership of the shares to West End).

That's it! If you have any questions regarding the donations of securities, please contact Steve Vriend (steve.vriend@maximummobility.ca, 780-446-3609). Thank you for your support of West End ministries.