

Gifts of Publicly Traded Securities



A gift of publicly traded securities to the Montreal Children's Hospital Foundation may be made during your lifetime or through your estate. It provides immediate support for the hospital, eliminates the capital gains tax on these securities, and provides you with a charitable tax receipt for your donation.

The process of gifting securities is simple. At your direction, your broker will electronically transfer your securities to the broker of the Montreal Children's Hospital Foundation. The broker sells the stock immediately after receiving the transfer. The Montreal Children's Hospital Foundation issues a charitable tax receipt equivalent to the fair market value of the shares at the time of transfer.

Benefits to you:

- **Tax benefit** - A gift of appreciated securities to a charity allows you to eliminate the tax on capital gains.
- **Satisfaction** - You have the satisfaction of knowing your gift will make an important difference.
- **Tax planning** - Leaving appreciated securities to a charity in your will allows your estate to realize considerable tax savings. This will increase the amount going to your heirs.

The following scenarios compare tax advantages:

	Scenario A Sell Shares and then donate cash	Scenario B Donate Shares directly to the MCH
Current value of shares (Gift)	\$10,000	\$10,000
Cost of shares (amount paid)	\$6,000	\$6,000
Capital Gains	\$4,000 ((\$10,000 current value - \$6,000 purchase price))	\$4,000 ((\$10,000 current value - \$6,000 purchase price))
Tax on capital gains @ 50%*	\$1,000 ((\$4,000 capital gains x 50% taxable gains x 50%*)	NO TAX ON CAPITAL GAINS FOR GIFTS OF SHARES TO CHARITIES
Tax credit @ 50%*	\$5,000 ((\$10,000 gift x 50%*)	\$5,000 ((\$10,000 gift x 50%*)
Net tax savings	\$4,000 ((\$5,000 tax credit - \$1,000 tax on capital gains)	\$5,000 ((\$10,000 gift x 50%*)
Net cost of Gift	\$6,000 ((\$10,000 gift - \$4,000 Net tax savings)	\$5,000 ((\$10,000 gift - \$5,000 Net tax savings)

*For simplicity and illustration purposes, 50% as marginal tax and tax credit rates were used in this example. Actual results may vary depending on your marginal tax bracket. To facilitate your gift, download a Gift of Securities Transfer Form from our website:

<https://fondationduchildren.com/en/how-to-give/make-gift-share>.

Please seek expert advice:

The Montreal Children's Hospital Foundation strongly recommends that you seek professional financial, insurance and/or legal advice to ensure that your financial goals are considered, your tax situation is reviewed, and your legacy gift is tailored to your circumstances.

Dr. MacKenzie Forbes Society

The Montreal Children's Hospital Foundation is pleased to recognize individuals who include the Foundation in their estate plans. The Dr. MacKenzie Forbes Society is a group of thoughtful and visionary donors who have demonstrated generosity and concern for children of today and tomorrow.

When you become a member, you enjoy the benefits of the Society and receive:

- ✓ An invitation to visit the hospital for a behind the scenes tour
- ✓ An invitation to our Annual Recognition Event
- ✓ Your name(s) on the Annual Donors List on the Foundation website
- ✓ Your name will be displayed on the Dr. MacKenzie Forbes Society Wall in perpetuity, for gifts received of \$100,000 and more

For further information, please contact **Samar El Soufi**, Planning and Development Officer

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The Montreal Children's Hospital Foundation

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la fondation
de l'hôpital
de montréal
pour enfants
the montreal
children's
hospital
foundation

