



# publicly traded securities

One of the most financially sound ways in which to support the good work that Habitat Sarnia/Lambton does right here in our community is through a gift of securities. When you donate publicly traded stocks, mutual funds and other securities directly to a registered charity, you pay no capital gains tax and receive a tax receipt for the full amount of your gift. It means a great tax break for you ... and allows you to support a charitable cause(s) that are closest to your heart.

Usually when you sell a security, you are required to pay tax on 50% of the capital gain. But when you transfer that same security to a charitable organization like Habitat Sarnia/Lambton, you realize no tax on the capital gain. This is an incentive for you to give securities as a gift now, because it eases your own tax burden. Or you can consider giving securities as a deferred gift in your Will because it will offset the tax against your estate.

Depending upon whether you hold your securities with a broker, or as a physical document (i.e. stock certificates), you may donate them either electronically or by physical delivery.

Habitat for Humanity Sarnia/Lambton is proud and grateful for the support of RBC Dominion Securities in Sarnia who provide assistance to us in receiving and processing donations of securities.

To make your gift, please contact your broker or financial advisor. Let them know you would like to make a gift of securities to Habitat Sarnia/Lambton, and direct them to the attention of RBC Dominion Securities at 340 North Front Street in Sarnia, N7T 1L1 (519) 337-3706.

## HOW DOES A DONATION OF SECURITIES BENEFIT YOU?

	SELL SHARES & GIFT CASH TO CHARITY	GIFT SHARES DIRECTLY TO CHARITY
Current market value of stock and amount of tax receipt	\$100,000	\$100,000
Cost base	\$20,000	\$20,000
Capital gain realized (\$100,00 - \$20,000)	\$80,000	\$80,000
Taxable capital gain (50% of \$80,000)	\$40,000	\$0
Tax due on gain (46% of \$40,000)	\$18,400	\$0
Donation tax credit (46% of \$100,000)	\$46,000	\$46,000
Net tax savings from donation (tax credit minus tax due)	\$27,600	\$46,000

*\*Assumes donor at 46% marginal tax rate*



Habitat for Humanity Sarnia/Lambton is a charitable organization that builds decent, affordable homes and then sells them to low income families for a \$0-down, 0%-interest, 20-year, Habitat-held, mortgage with geared-to-income monthly payments. 100% of the mortgage revenue we receive each year is used to build more homes for more local families. Proceeds from our Sarnia ReStore pay for 100% of our administrative and operational costs. For this reason, 100% of every dollar donated to Habitat Sarnia/Lambton is used to build homes.

Research undertaken amongst Habitat families nationwide shows that, upon receipt of a Habitat home, children's

academic performance improves, families are healthier and become more vested/involved in their communities. Every \$1 invested in Habitat for Humanity yields a \$4 Social Return on Investment (SROI).



*The information in this brochure does not constitute legal or professional advice and should not be substituted for professional consultation.*

*Habitat for Humanity Sarnia/Lambton strongly encourages donors to seek legal and financial advice prior to deciding a course of action.*



Sarnia/Lambton