

## Frequently Asked Questions

### Can I direct the church not to sell my securities or to sell them only at a specified price?

No. It is the policy of The Presbyterian Church in Canada to sell securities as soon as they are in the hands of our stockbroker. This policy facilitates the transfer of the proceeds of the sale of the securities into the hands of your chosen beneficiaries as quickly as possible.

### Why is the amount of money the beneficiary receives different from my tax receipt?

The tax receipt is based on the market value of your securities on the day they are received by the church. Because the securities are sold on a later day than the date of receipt, they may fluctuate in value. Sometimes the sale price may be higher; sometimes the sale price may be lower. There is also a brokerage fee for selling the securities that is subtracted from the total sales price.

### Can I designate more than one beneficiary when I gift my stock?

Yes, you can identify various ministries including your congregation, but the beneficiaries must be ministries within The Presbyterian Church in Canada.

## Case Study

*Mrs. X wanted to donate money for a clean water project she heard about from Presbyterian World Service and Development. After talking with the Planned Giving Office, she learned about the tax efficiency of donating public securities. She had some CIBC stock that had appreciated in value over many years. She sent a transfer form to her broker, instructing him to transfer a portion of her holdings to The PCC broker. The proceeds from the sale were directed to the project, and she received a tax receipt for the full market value of the stock. Mrs. X is delighted. Her CIBC stock is now providing fresh drinking water for a village in Malawi! She is planning on using her tax savings to make an additional donation to the capital campaign in her home congregation.*



Water project supported by PWS&D in Darfur, Sudan.

## For Further Information

The staff in the Planned Giving Office are available to offer whatever information and guidance you need to help you turn your philanthropic wishes into reality. Contact us by phone, email or letter. For additional information and more examples of generosity, be sure to check out the Planned Giving website.

### The Planned Giving Office

The Presbyterian Church in Canada  
50 Wynford Drive, Toronto, ON M3C 1J7  
416-441-1111 or 1-800-619-7301  
plannedgiving@presbyterian.ca  
www.presbyterian.ca/plannedgiving



The information in this brochure does not constitute legal or professional advice and should not be substituted for appropriate professional advice. The Presbyterian Church in Canada encourages you to seek professional legal and financial advice before deciding on a course of action.

# Publicly Traded Securities

A tax-efficient way to give now to vitally needed ministries



*Planting seeds of hope.  
For generations to come.*

# Gifts of Publicly Traded Securities:

## A Tax-Efficient Way to Give Now to Vitally Needed Ministries

Planned Giving has sometimes been called “deferred giving,” because many of the gifts we give from our accumulated assets are often deferred until after we have died (e.g. bequests through wills, life insurance, and charitable gift annuities). Such deferred gifts are often the most appropriate way to fulfill our philanthropic intentions. For example, if my concern is to provide for the church or sustain an important ministry far into the future, a deferred gift through my estate to a permanent or endowed fund makes perfect sense.

But what if I want the church to receive my gift as soon as possible for a capital campaign or a mission project that is vitally needed now, not in some distant future? Is there a way that I can make use of planned giving strategies to achieve this goal? The answer is an emphatic, “Yes!” Gifts of pub-

licly traded securities (stocks, bonds and mutual funds) are a simple and efficient way we can make a substantial gift to the church for its use now, while at the same time decreasing our out-of-pocket expense. Present tax laws stipulate that if we sell publicly traded securities privately, we are taxed on 50% of the capital gains. *If we gift the securities directly to charity, however, we pay **no tax on the capital gains** while also receiving a donation tax receipt for the full market value of the securities.* This means that the gifting of securities which have appreciated in value is a much more tax-efficient way to give to the church than selling the securities privately and then donating the cash. You can direct the proceeds of your gift to go to your local congregation or to any ministry you choose within The Presbyterian Church in Canada.



## You can use The Presbyterian Church in Canada's stockbroker

If your congregation does not have its own stockbroker, you can use the services of The Presbyterian Church in Canada's stockbroker to handle the transaction. You will receive a charitable receipt from The Presbyterian Church in Canada for the fair market value of the securities as of the date the church receives the securities. It is the policy of the church to sell the securities as soon as possible. The proceeds from the sale are then immediately directed to the ministries you want to support (e.g. your home congregation, PWS&D, a church camp, *Presbyterians Sharing*, etc.).

## When your stockbroker holds your securities . . .

Simply instruct your stockbroker to transfer electronically the securities you wish to donate to The Presbyterian Church in Canada's brokerage account at BMO Nesbitt Burns. The process can normally be completed within a week. The Planned Giving Office has simple transfer forms and guidelines to make the procedure as easy as possible.

## When you hold the securities in certificate form . . .

This is a more complicated process than the electronic transfer of securities. You would need to bring the actual stock or bond certificate/s to the church's broker, BMO Nesbitt Burns, Inc. (210-90 Burnhamthorpe Road West, Mississauga, Ontario L5B 3C3, 1-800-387-9314). Alternatively, you could mail the stock certificates to The PCC stockbroker with a signed Power of Attorney form (we advise you to use registered mail or courier in order to track your documents). Details and Power of Attorney forms are available from the Planned Giving Office.

**Special Note:** *Please inform the Planned Giving Office of your intent so that we can ensure that you receive the proper tax receipt and that your gift goes to the ministry you have designated as quickly as possible.*

*“The point is this: the one who sows sparingly will also reap sparingly, and the one who sows bountifully will also reap bountifully. Each of you must give as you have made up your mind, not reluctantly or under compulsion, for God loves a cheerful giver. And God is able to provide you with every blessing in abundance, so that by always having enough of everything, you may share abundantly in every good work.”*

*2nd Corinthians 9:6-8, NRSV*