

Ways to Gift a Legacy & Why They Matter

Here are four possibilities for you to consider in consultation with your professional advisors.

1. Bequest in a Will

What it is:

A bequest is an instruction that a certain amount of money or a particular item of property should be given to Childcan at your death. Upon death, Childcan will issue a donation tax receipt for the bequest that may result in a significant tax savings in the year of death and the preceding year.

A bequest can take several forms:

- A stated dollar amount
 - A percentage of your estate
 - A particular piece of property
 - The remainder of your estate after the payment of specific legacies to others
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2. Beneficiary Designation (RRSPs, RRIFs, or TFSAs)

What it is:

Naming a charity like Childcan as a beneficiary of your Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), or Tax-Free Savings Account (TFSA) are a popular way to offset taxes owing on funds at the time of death.

When you name Childcan directly as a beneficiary, your estate will save probate fees. Your gift is treated as a charitable donation in the year of death and is eligible for a tax credit on your final tax return and/or the one immediately preceding the final return. The tax credit may completely offset the taxes payable on the proceeds.

Benefits:

- Easy to arrange: No legal fees or Will updates required.
 - Bypasses probate: The gift goes directly to the charity, speeding up the process.
 - Tax relief: Offsets taxes on remaining registered funds, reducing the financial burden on your estate.
 - Flexible: You can designate a full or partial amount.
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3. Life Insurance Policy

What it is:

Donating a new or existing life insurance policy by naming Childcan as the beneficiary or transferring ownership to Childcan.

Benefits:

- Affordable generosity: Small monthly premiums can create a significant future gift.
- Tax savings: You may receive tax credits for premiums paid (if the policy is owned by the charity).
- Preserves estate value: Your other assets remain untouched for family or other beneficiaries.
- Legacy impact: Great option if you want to leave a larger gift than current resources allow.

Here are some ways to donate and plan your gift using life insurance:

- i. Give an already paid-up policy and receive a donation receipt for the cash value of the policy
- ii. Give an existing policy on which premiums are still being paid, and in return receive a receipt for the cash value of the policy and subsequent premium payments
- iii. Purchase a new policy, transfer ownership to Childcan, and receive a tax receipt for all payments on the premiums
- iv. Retain ownership of the policy and name Childcan as the direct beneficiary and, when you die, your estate will receive a receipt for the face value of the policy.

4. Donate Stocks and Securities

What it is:

A donation of publicly listed securities or mutual funds to Childcan is an easy giving option that also provides the opportunity for tax savings. You'll see the result of your gift today, receive a tax receipt for the value of your gift, and be exempt from capital gains tax.

Speak with your advisor to see if this is an option that will work for you now and as a legacy gift. We can help provide the **form and information** you need.

Benefits:

- Avoid paying capital gains tax on appreciated securities
- Receive a charitable tax receipt for the full market value of the donation
- Make a larger impact at no additional cost
- Leave a lasting legacy through a highly efficient way of giving