

Foundation Report - January 20 2026.

The new format for giving to Foundation has begun as of January 1 2026 and Rotary members can give online to - www.rotary.org/give Club number 81999. District 5060 This can be done via cheques, credit cards or wire transfer.

Encourage all members to pledge a giving amount when sharing activities of the club.

Overview of securities will be shared at next meeting - as information will be needed for everyone sending in monies as we will no longer be doing happy or sad bucks at out lunches.

Review for Paul Harris awards will be done soon as well as referrals for Paul Harris Honorary Awards.

OVERVIEW OF SECURITIES DONATION ADVANTAGES

- CAPITAL GAIN IS NOT TAXED
- DONOR GETS TAX CREDIT FOR FULL DONATION
- TAX CREDIT COMBINED FOR BC AND FEDERAL GOVT=43.7%
- THAT MEANS A \$1000 DONATION GETS \$437 TO APPLY AGAINST TAXES OWING
- SYSTEM WAS DESIGNED TO ENCOURAGE INDIVIDUALS IN ALL TAX BRACKETS TO DONATE
- ACUTALLY GIVES A BIG INCENTIVE FOR LOWER TAX BRACKETS EG SOMEONE IN 30%
BRACKET GETS A 43.7% BREAK
- PREVIOUS SYSTEM THAT JUST ALLOWED A DEDUCTION APPEALED TO DONOR IN HIGHER
BRACKETS

ADVANTAGE OF SECURITIES DONATION

Example of Benefit

Donated- 20 shares @ \$490USA = \$9800 (\$12,900CDN)

Cost base-20 shares @ \$77USA = \$1540USA (\$2030CDN)

Capital gain = \$10870CDN Taxable @ 50% = \$5435

Tax owing - \$2717 BUT by donating NO taxes payable

Tax credit - BC and Federal Government combined - \$5638

A tax credit can be applied to pay any tax owing

So the "out of pocket cost" of a \$12,900 donation is - \$4545

EXAMPLE FOR SOMEONE IN 30% TAX BRACKET

- ASSUME A SECURITIES DONATION OF \$ 1000
- CAPITAL GAIN ON DONATION= \$300
- CAPITAL GAIN TAX SAVED=\$50
- TAX CREDIT RECEIVED \$ 437 THAT CAN BE APPLIED AGAINST TAXES OWING
- OUT OF POCKET COSTS FOR A \$ 1000 DONATION = \$513