



Procedure n° 2014-FR-02:	Issuance of Tax Receipts	
Approved:	Resolution n°	020227-FR-0074
Revised:	Resolution n°	CC-141210-FR-0103
Origin:	Financial Resources	
Notes:	1. Replaces Policy #2001-FR-02 2. The masculine gender, when used in this document, refers to both women and men. No discrimination is intended.	

1.0 Purpose:

To define the framework governing the issuance official receipts for charitable donations received and to ensure that these receipts are issued in accordance with the applicable laws and regulations governed by the Canada Revenue Agency and Revenue Quebec.

The Sir Wilfrid Laurier School Board recognizes that donations to our schools and centers comprise a valuable resource. It is important to both the school board and the donor that receipts issued for tax purposes are given in strict compliance to existing laws and regulations.

2.0 Definition:

In order for a donation to qualify for an official tax deductible receipt it must be a *voluntary transfer of property where the donor has not received any advantage or other consideration*. This definition is central to Canada Revenue Agency's rules on the issuance of receipts for tax purposes.

2.1. Donations that qualify for a tax receipt:

2.1.1 Cash Donations:

In most cases donations in the form of cash or cheques can usually be receipted in full where there has been no consideration given to the donor in any form.

2.1.2 Donations of Goods:

The school board may issue a tax receipt for donated goods provided the value of the goods can be clearly established.

2.2. Donations that do not qualify for a tax receipt:

2.2.1 Gifts of Service:

An eligible donation must be a gift of property.

Request for Donation Receipt

(A receipt will be issued for donations \$20 and more)

Donor Information (please print)

Name of donor	_____
Address	_____
City	_____
Province	_____
Postal Code	_____

Donation Information

Purpose of donation	_____
Type of donation	_____
Date of donation	_____
Deposit date	_____
Budget code	_____
Amount of donation	\$ <input type="text"/>
Supporting Documents: <input type="text"/>	
OR	<input type="checkbox"/> Copy of the cheque.
OR	<input type="checkbox"/> Signed receipt by administrative personnel for cash donation.
	<input type="checkbox"/> Assessment report for donations of equipment or goods.
OR	<input type="checkbox"/> Copy of deposit with deposit slip.
AND	

I acknowledge that the amount received respects the definition of a donation.

↳ Voluntary transfer of property where the donor has not received any advantage or other consideration.

Name of school	_____
Name of principal	_____
Signature of principal	_____

(Complete one form per receipt request)

2.2.2 Pledges or promises to donate:

The property must be actually transferred in order to be eligible for a receipt.

2.2.3 Fees charged to parents:

This includes payments received from parents so that their child can attend a field trip or other activity.

2.2.4 Lottery or Raffle Tickets:

Anything where there is an eligibility to win a prize.

2.2.5 Donations for Advertising or Sponsorship:

For example, payment to have a business card in a program or a sign at an event confers a benefit or advantage on the donor.

2.3. Donations that only qualify for a tax receipt under specific circumstances:

2.3.1 Admission Tickets to Fundraising Meals or Events:

In general when someone purchases an admission ticket, the individual receives the advantage of a meal or participation in the event so therefore the individual is not eligible to receive a tax receipt.

This changes however where the fair market value of the advantage received is 80% or less of the total paid. In this case a tax receipt could be issued for the difference between the amount of the ticket and the fair market value of the advantage received. An example of this would be where a fundraising dinner is held at a restaurant. The restaurant normally sells this meal for \$50 however the school is selling tickets to the dinner for \$150. Each person purchasing a ticket could be eligible for a tax receipt in the amount of \$100.

2.3.2 Gift Certificates or Gift Cards:

In most cases a gift certificate or gift card is considered a promise or a pledge to donate and therefore does not qualify for a tax receipt. A sporting goods store that gives a gift certificate for gym equipment has not transferred any property; it has merely expressed its intention to transfer property. Once the school has redeemed the gift certificate and received the gym equipment a receipt can be issued for the fair market value of the goods received. Gift certificates redeemed for services are not eligible for a tax receipt.

Gift certificates that are transferred to a third party are not eligible for a tax receipt. For example, where a school receives a gift certificate from a restaurant and gives it away in a raffle the restaurant is still not eligible to receive a tax receipt even when the winner redeems it.

Canada Revenue Agency does allow the issuing of a tax receipt where a third party purchases the gift certificate from the company issuing the gift certificate and donates it to a school as this is considered to be a transfer of property.

3.0 **Requesting a Donation Receipt:**

According to Revenue Canada regulations, the school board is under no obligation to issue a tax receipt. Receipts will only be issued for qualifying donations in excess of \$20.00. All requests for a tax receipt must be made using the charitable donation receipt request form and must be accompanied by proper documentation. The request must include the name and address of the receipt recipient. No receipts to anonymous donors will be issued.

The school board is responsible to ensure that the value indicated on the tax receipt is accurate. There are penalties imposed for receipts issued that are either incorrect or incomplete.

3.1 **Cash Donations:**

In the case of cash donations, the completed request form must be accompanied by a copy of the cheque or the receipt (in the case of cash donations) and a copy of the deposit slip showing when the donation was deposited in the bank.

All cash donations must be deposited into the school board bank account and entered into the general ledger of the school board using the appropriate school account.

3.2 **Donations of Goods:**

Where a school requests an official receipt for donated goods or equipment there is a requirement to establish the fair market value of the items obtained in order to determine the amount to be receipted. In this case, clear documentation confirming the value of the goods must accompany the request for a tax receipt.

Revenue Canada Agency requires the charity issuing the tax receipt to support the determined fair market value with adequate documentation. Where the estimated value is in excess of \$1,000, an independent appraisal is required to support the claim.

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