

Your legacy to end MS:

Securities

“My financial advisor suggested I consider donating some stock to help offset personal taxes so I made my first stock gift to the MS Society of Canada designated to research. I believe it is through research that we will find a cure.”

Mary Jane Ferguson

What is a gift of securities?

Your stocks, bonds, and mutual funds are securities – and you can leave your legacy by donating them to the MS Society now or as part of your will. With a gift of securities, you instruct your financial planner to transfer certain securities to the MS Society, which are received in our brokerage account and sold on date of receipt.

What are the benefits?

In May 2006, the federal government eliminated the capital gains tax on gifts of securities to registered charitable organizations like the MS Society. Therefore, a benefit of donating appreciated securities to the MS Society is that you avoid paying taxes you would otherwise owe. Another benefit is that you receive a tax receipt for the full market value of the gift, thereby reducing your income tax payable for that year. And lastly, a benefit is that you can donate securities at any time, allowing you to see the impact of your legacy gift within your lifetime.



Here is an example of a donor purchasing ABC Company stock some years ago for \$2,000. The current fair market value is \$10,000. In this case, the combined federal and provincial tax rate and charitable tax rate are 45%. Here is the real cost of giving the stock to the MS Society as a legacy gift instead of selling.

Option 1: Sell your stock, then make a gift

Amount of gift	\$10,000
Capital gain (\$10,000-\$2,000)	\$8,000
Taxable gain (50% x \$8,000)	\$4,000
Tax on gain (45% x \$4,000)	\$1,800
Tax credit (45% x \$10,000)	\$4,500
Net credit (tax credit – tax on gain)	\$2,700

Option 2 – Donate your stock

Amount of gift	\$10,000
Capital gain (\$10,000-\$2,000)	\$8,000
Taxable gain (0% x \$8,000)	\$0
Tax on gain (0% x \$4,000)	\$0
Tax credit (45% x \$10,000)	\$4,500
Net credit (tax credit – tax on gain)	\$4,500
Net advantage of donating stock (\$4,500-\$2,700)	\$1,800

more...

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What are my next steps?

1. Obtain a “Securities Transfer Form” from the MS Society, either by calling us at 1-800-268-7582 or visiting www.mssociety.ca and downloading the form.
2. Fill out your form and submit it to your financial planner and the MS Society.
3. Confirm the details of your gift with your financial planner.
4. Contact the MS Society to inform us of your gift.

Who can I talk to?

You can connect with us at any time to discuss your legacy options. Please contact your local MS legacy expert at 1-800-268-7582 or MSlegacy@mssociety.ca. Your questions will be kept confidential and no commitment is required.

Disclaimer: This brochure is not intended as legal or financial planning advice. When considering any legacy gift, you should always consult your professional advisor(s). Charitable Registration # 10774 6174 RR0001



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