

British Columbia Childhood Cancer Parents' Association Tax Receipting Guidelines

The British Columbia Childhood Cancer Parents' Association (BCCCPA) is a charitable society, which adheres to Canadian Revenue Agency rules and regulations pertaining to charitable tax receipts in order to protect our charitable status.

The following rules and regulations have been developed by the Canada Revenue Agency and as a registered charity the BCCCPA must abide by these rules in order to maintain our charitable status.

Canada Revenue Agency Rules and Regulations

Income tax receipts are issued to donors who make gifts to charities. A gift is a transfer of property (usually cash), where the donor receives no benefit in return. The donor is the source of the gift and cannot designate someone to receive the benefit. Nor can the donor designate someone else to receive the tax-deductible receipt.

Gifts In-Kind

Non-cash gifts of property are considered as Gifts In-Kind. The amount of a tax-deductible receipt for gifts in-kind is based on the fair market value of the property. Gifts of services are not eligible for a tax-deductible receipt. See: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/gfts/srvcs-eng.html> . Gifts of property of \$1,000 or more needs to be evaluated by an independent third party who is an expert in the valuation of the property being donated. See determining fair market value for further information: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/rcpts/dtrmfmv-eng.html>

Fundraising Events

To receive a tax receipt for the proceeds raised at a fundraising event, the BCCCPA requires a complete record of accounting details, including all receipts, (showing revenue and expenses) for the event. The BCCCPA reserves the right to audit all financial records pertaining to the event.

Please note tax receipts can only be issued for an amount equal to the amount of cash received by the BCCCPA. If net proceeds are provided, tax receipts **cannot** be issued for the gross amount. A listing of donors showing date, name, full address, phone number and amount donated is required to facilitate the issuing of receipts.

Pledges

Tax receipts can be issued to event participants and donors following the event, if the BCCCPA is provided with a list of names, complete addresses and phone number of the individuals to be receipted, as well as the amounts (minimum \$25.00). In addition, the total funds donated must equal or be in excess of the amount to be receipted.

Tickets

When planning an event where you intend to sell tickets (e.g. gala or dinner/dance), please contact the BCCCPA prior to setting your ticket price to ensure all Canada Revenue Agency guidelines are met. The amount of the receipt will be the amount of the donation less the advantage received by the donor. The advantage is the fair market value of the property and services received by the donor at the gala or dinner/dance.

Receipt Issuing

Receipts will be issued for gifts of \$25.00 or more made directly from an individual by cash, cheque or credit card.

For gifts-in-kind of tangible, material goods, a tax receipt may be issued for the fair market value.

A tax receipt may be issued for the donation of a gift certificate when the donor is not the issuer of the gift certificate and has purchased the gift certificate either from the issuer or another third party.

Gifts in-Kind Documentation Required From Donor If A Tax Receipt Is Requested

Gift-in-Kind valued under \$1,000

Documentation is required to prove fair market value, which the donor must provide. e.g. invoice, receipt or third-party appraisal.

Gift-in-Kind items valued at \$1,000 or more

Donor must provide a current invoice or sales receipt showing fair market value of the donated item or a third party independent valuation of the property donated.

Art, antiques, jewelry or rare and unusual collectibles valued at \$1,000 or more

Donor must provide an independent and qualified third-party appraisal.

THE BCCCPA MAY NOT ISSUE TAX RECEIPTS FOR THE FOLLOWING

Gift certificates: The BCCCPA cannot issue tax receipts for gift certificates received directly from the issuer. i.e when an individual, retailer, or business donates a gift certificate entitling the recipient to purchase goods and/or services from that same individual, retailer, or business, we cannot issue a tax receipt.

Cash sponsors of an event where the sponsor receives promotional services, however the BCCCPA can provide a Letter of Fair Market Value for these funds, the letter will acknowledge that the event took place on a certain date and raised a certain dollar amount for the BCCCPA.

In-kind sponsors who donate products such as food or items for a silent auction and receive promotional benefits.

Donated services such as hiring someone/thing for an event (e.g. tent set-up or entertainment)

Product sales (e.g. t-shirts)

For additional receipting information on tax receipting guidelines you may visit the Canada Revenue Agency website at <http://www.cra-arc.gc.ca/charities/>