

Tax Receipting

Always check to ensure a donation is receiptable under Canada Revenue Agency tax receipting regulations before promising a tax receipt to a donor. This applies to any donation—lottery tickets, goods for an auction, casual day donations, etc. One of the most unpleasant tasks a volunteer can face is telling a donor they will not be receiving a tax receipt after all.

Please remember, these are Canada Revenue Agency tax regulations. United Way must follow them to retain our charitable status. There can be no exceptions.

Gifts that are receiptable

- Direct cash, cheque and credit card donations of \$20 and over are automatically issued a tax receipt. Donations of less than \$20 will be issued a tax receipt on request.
- Direct cash, cheque and credit card donations are receiptable for the tax year in which they are received.
- Monthly donations will be receipted at the end of the calendar year. Payroll enquires/receipt requests should be directed to United Way's Finance Department at 519-438-1721.

Payroll deductions

Employees who donate through Payroll Deduction Plans are entitled to a tax receipt at the end of the year, reporting total charitable donations for that year. This can be provided in one of the following ways:

- Either your company has an agreement with United Way to show the annual contribution on the employee's T4 slip.

Payroll deductions

- Or if your payroll system cannot report charitable donations on T4s, United Way will issue tax receipts after we have received your final payroll remittance for the year. Your Payroll Administrator will need to provide us with the name of each payroll donor and amount donated through payroll deductions for the year, as well as the total amount remitted by you to United Way for the year.

Gifts that are not receipted

Auctions and raffles

A charity cannot issue tax receipts to people who buy items at a charity auction, even if the price they pay exceeds the fair market value of the item. This is because they are receiving something in return and therefore there is no gift.

Contributions of services

Contributions of services may not be acknowledged by issue of an official receipt. A gift must involve property. Contributions of services (that is time, skills, effort) are not property and do not qualify.

How to use incentive prizes

You can offer an incentive to make a donation only if you ensure that everyone has an equal opportunity to win the prize. For example, as everyone hands in their pledge form (completed or not), they become eligible for a draw.



Gifts that are partially receipted

Admission cost to a meal or entertainment event

Canada Revenue Agency regulations permit the issuing of a receipt for the donation component of the admission price to a meal or entertainment event. For example, if a lunch costs \$30 per person (including HST) and the admission price is \$100, then a receipt can be provided for the \$70 difference. This partial receipting rule applies to dinners, shows or the like.

*****Please do not promise anyone a receipt.***

Please check with your United Way Staff Partner if you are not sure about receipting rules.

Questions?

If you have any questions or need support in planning your campaign please connect with us uw@unitedwayem.ca.