



Administrative Procedures

AP-715 CHARITABLE DONATIONS	Date of implementation: March 21, 2019
	Date of update: Related Administrative Procedures:

Purpose: The Division is a registered charity and, therefore, may issue receipts for donations received.

Procedures:

1) General

- a) Contact the Controller before commencing with fundraising activities to ensure eligibility for providing receipts for charitable donations.
- b) Contributions to schools (monetary and other) may qualify as charitable donations for which a receipt may be issued.
- c) All receipts are provided by the Finance Department.

2) Submission of information

- a) The following information is required for each individual donation:
 - Date of the donation
 - Nature of the donation
 - Name of the donor
 - Amount of the donation

3) Charitable Donation Receipts

- a) Receipts will be signed by the authorized School Division official and display the official charitable registration number.
- b) Individual donation receipts will be distributed directly by the Finance Department.
- c) Receipts generated from multiple donations organized by school will be forwarded to the Principal for distribution.

4) *The Income Tax Act*

- a) Qualifying and Non-qualifying Donations
 - i) Donations must conform to *The Income Tax Act* as it relates to charitable organizations. No official receipt can be issued for:

- Payment of membership
- Tuition fees
- Amounts received by loose collection
- Donation of services
- Donations of old clothes, furniture, etc.
- Amounts paid for admission to concerts, dinners, etc.
- Any portion of the purchase price of a lottery ticket
- Pledges until the amount is fully received

ii) Receipt of gifts

- (1) A gift must be freely given by the donor and no rights, privilege, material benefit or advantage may be conferred on the donor
- (2) In issuing tax receipts where the donation is a gift of property other than cash, the receipt must include the amount that is the fair market value of the property at the time the gift was made. The generally accepted meaning of fair market value is the highest price that the item given would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other. For gifts valued at less than \$1,000, a qualified employee of the charity can appraise the value of the donation.

References:

[The Income Tax Act](#)