



Continuing to Reduce Donors' After-Tax Cost of Giving

Today, post federal budget, we would like to offer our heartfelt appreciation and thanks to those of you who lent your support to our government relations effort. It was only through the appeals of Canadians like you committed to transformative philanthropy that we were able to have the issue reviewed at the highest levels of the government. As the process unfolded, we were encouraged by the Finance Department's recognition of the negative impact their changes will have on the charitable sector. However, as you now know, the changes originally delivered in the March 22nd budget will stand and your after tax cost of giving will be affected. We say "affected" but not nearly eliminated.

Fulfilling your gifts to charity using flow through share donations is still an advantageous philanthropic tool in almost every province. The table below illustrates the substantial tax savings attributable to a flow through share gifting arrangement even after the budget changes. We continue to source transactions for donation purposes on your behalf.

Province	Estimated After-Tax Cost of Donation (% of amount of gift)	Estimated Reduction in After-Tax Cost of Donation*
Québec	16%	69% saved
Ontario	39%	25% saved
Manitoba	29%	43% saved
British Columbia	38%	31% saved

*Relative to the cost of a cash donation at highest marginal rates. The after-tax cost of donation is specific to each transaction.

We are considering our full response to today's budget announcement. We are pleased that the government has indicated that it will consider how to improve the incentives for charitable giving before the Finance Committee of the House of Commons. Once we have had a little more time to reflect on further options to influence this process, we will be in touch to share our thoughts with you.