



Donations as a Qualified Donee

A-00-17

Adopted: June 12, 2023

Policy Statement:

This policy outlines the guidelines and procedures for the Town to act as a Qualified Donee for issuing tax receipts for donations and as an intermediary for accepting donations from registered charities, specifically for municipally affiliated projects, in compliance with the rules and regulations set forth by the Canada Revenue Agency (CRA). The purpose of this policy is to ensure transparency, accountability, and adherence to CRA guidelines for qualified donees while supporting initiatives aligned with the municipality's goals.

Procedure for Issuing Tax Receipts

1. The Town shall ensure it meets the requirements set by the Canada Revenue Agency (CRA) to qualify as a qualified donee and issue official donation receipts for tax purposes.
2. Administration shall establish a process to collect accurate and complete information from donors to issue tax receipts. The following information shall be obtained:
 - a. Donor's full name, address, and contact details
 - b. Donation amount and currency
 - c. Date of donation
 - d. Description of the donated property or purpose of the donation, if applicable
3. Tax receipts shall be issued to donors promptly, within the timeframe specified by the CRA, which is typically within 30 days of receiving the donation.

Types of Acceptable Donations:

1. **Monetary Donations:** The Town may accept monetary donations for municipally affiliated projects. These donations can be made in the form of cash, cheques, electronic funds transfers, or other acceptable means.
2. **In-Kind Donations:** The Town may accept in-kind donations for municipally affiliated projects. The acceptance of in-kind donations shall be assessed on a case-by-case basis to ensure their suitability and alignment with the municipality's needs and goals.
3. **Donated Goods:** The Town may accept donated goods on a case-by-case basis to determine their usefulness, condition, and compatibility with the projects or programs they are intended to support. A tax receipt may be issued based on "fair market value" of the donated good, of which supporting documentation may be required.



Eligibility and Approval to Act as an Intermediary:

1. The Town may act as an intermediary to accept donations from registered charities for municipally affiliated projects only. These projects must be directly linked to the municipality's goals, programs, or services.
2. The acceptance of donations shall be subject to the approval of the CAO upon evaluation of the suitability of the project, alignment with the municipality's objectives, and compliance with CRA guidelines.

Restrictions and Limitations

1. The Town shall only accept donations from registered charities if they are specifically intended for municipally affiliated projects that directly contribute to the municipality's programs, services, or goals.
2. Donations accepted by the Town must comply with all applicable laws and regulations.
3. Donated Goods may not be eligible for a tax receipt and must follow CRA Guidelines.

Documentation and Reporting

1. The Town shall provide regular reports to registered charities regarding the donations received for municipally affiliated projects, including the amount and purpose of each donation.
2. The Town shall adhere to CRA reporting requirements for qualified donees, providing the necessary information to the CRA as and when required.
3. Accurate records of all donations received, and tax receipts issued, shall be retained for a minimum period as required by the CRA, typically six years from the end of the fiscal year in which the donation was made.