

BCPFF Burn Fund Tax Receipting Guidelines

The Burn Fund 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 Burn Fund 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 else to receive the benefit.

Donation of cash, cheque or credit card:

For gifts of \$25.00 or more made directly to the Burn Fund from an individual.

Donation of Tangible, Material Goods:

For gifts-in-kind of tangible, material goods, used to raise money, a tax receipt may be issued for the fair market value or for an amount less than fair market value based on actual revenue received by the Burn Fund.

Gift-in-Kind valued under \$1,000 - Documentation is required to prove fair market value which the donor may be asked to provide an invoice, receipt or third-party appraisal.

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

Donor must provide an invoice or sales receipt showing fair market value of the donated item.

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

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

Gift-in-Kind valued at \$5,000 or more

Tax receipts for items valued at \$5,000 or more may be issued only with the prior approval of the BCPFF Burn Fund. Once approved, a tax receipt will be issued for the fair market value of the item provided that the donor provides documentation for, which may include an independent and qualified third-party appraisal. If the donor does not provide an independent and qualified third-party appraisal where required, a tax receipt may be issued for the amount the item is sold for in the auction.

Donation of Gift Certificates NOT received directly from the Issuer:

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. The gift certificate must be used to raise money for the Burn Fund and a tax receipt will be issued for no more than the value of funds raised.

Pledges:

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

Fundraising Events

To receive a tax receipt for the proceeds raised at your fundraising event, the Burn Fund requires a complete record of accounting details (showing revenue and expenses) for your event. Tax receipts will only be made available for donations made directly to the Burn Fund. The Burn Fund also 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 Society. If net proceeds are provided, tax receipts **cannot** be issued for the gross amount. Please make sure to monitor your expenses accordingly.

Most companies can claim contributions as business expenses if the contribution provides promotion or advertising benefit to the business. The Charitable Society advises all donors to check with their own financial advisor to determine how to best utilize a contribution to their maximum advantage within Canadian Revenue Agency regulations.

Tickets:

When planning an event where you intend to sell tickets (e.g. gala or dinner/dance), please contact the Burn Fund office prior to setting your ticket price to ensure all Canada Revenue Agency guidelines are met.

Please note the value of the tax receipt to be issued will be determined after your event. The receipt value depends on factors such as ticket price, meals provided, complimentary items or giveaways, door prizes and any other advantage the ticket purchaser may receive. The BCPFF Burn Fund will be able to work with you to calculate the value of the tax receipt.

THE BCPFF BURN FUND MAY NOT ISSUE TAX RECEIPTS FOR THE FOLLOWING:

Donation of Services - The BCPFF Burn Fund cannot issue tax receipts for donated services (time, skills or effort) because services are not considered to be tangible property. Examples of other services include hotel accommodation, event set-up, entertainment, air miles, loaned vacation property, desk top services, legal services or moving services.

Donation of Gift Certificates received directly from the Issuer - The BCPFF Burn Fund cannot issue tax receipts for gift certificates received directly from the issuer. For example, If an individual, retailer, or business donates a gift certificate that entitles the recipient to purchase goods and/or services from that same individual, retailer, or business, we cannot issue a tax receipt.

Cash sponsors of your event - The BCPFF Burn Fund 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 BCPFF Burn Fund.

In-kind sponsors – Sponsors who donate products such as food or items for a silent auction and receive promotional benefits, please note that if no promotional benefits of any kind are given, they may be entitled to a Letter of Fair Market Value.

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 www.cra-arc.gc.ca