



# Private Giving Foundation

A simple, effective way to  
support causes that  
matter to you



# Introduction

For many of us in Canada, giving to help others and build a better society are important parts of life. While there are different ways to give back, at times a more strategic and organized approach to making a positive difference is preferred—an approach that offers a timely and tax-effective way to help achieve personal charitable goals.

That's why TD launched Private Giving Foundation. A first-of-its-kind offering introduced by a Canadian financial institution that operates in much the same way as a private foundation, minus many of the associated expenses or administrative duties, and with a much lower minimum contribution.

If you are looking for ways to plan your giving more effectively, create a legacy to support worthy charitable causes and realize tax advantages, Private Giving Foundation may be just the solution you are looking for.



# A simple, effective way to give with a simple way to start. Private Giving Foundation.

## **Open an account and start your long-term legacy of giving**

Open a donor-advised account with an irrevocable contribution of \$10,000 or more to Private Giving Foundation. You can contribute in cash or securities and will receive a charitable tax receipt. You can make additional contributions of \$1,000 or more at any time. All funds are invested, at the board's discretion, in the TD Greystone Private Balanced Plus Fund, which is managed by TD Asset Management Inc.

## **Choose your charity**

Choose the registered Canadian public charity or charities that you wish Private Giving Foundation to support annually. At any time, you can change your recommended charity or charities and the amounts to be granted.

## **Make grants**

Each year, Private Giving Foundation will make grants from your donor-advised account. The grants will be made to charities that you recommend.

## **Receive statements and receipts**

You will receive quarterly statements with details of your contributions, grants and the market value of your donor-advised account. TD will issue a charitable tax receipt in February that will show the sum of all contributions made in the previous year.



# Benefits of giving through the Private Giving Foundation

## **Simplifies your giving**

You can reduce the time you spend on administrative tasks associated with charitable giving and make all your donations through a single source. TD will track your contributions and grant recommendations, and send you detailed, quarterly statements and an annual official donation receipt.

## **Establishes a legacy of giving**

Your Private Giving Foundation donor-advised account can continue to generate grants in the future, establishing a legacy of charitable giving according to your wishes. You may also name a successor to take over your advisory role in the event of your death or incapacity. Gifts from your donor-advised account may continue for future generations.

## **Eliminates year-end pressure to select charities to support**


There's no need to rush to meet the December 31 deadline; you can donate to Private Giving Foundation now and decide which charities you'd like to support later. Your charitable donation will be invested while you decide which charitable organizations to recommend as grant recipients.

## **Recognizes your loved ones**

You can name your donor-advised account in any way you wish—honouring your family, a departed loved one or a special cause. You can make the grants anonymously or in the name of your donor-advised account.

## **Gives more as your contributions grow**

Private Giving Foundation invests your contributions and they grow tax-free, allowing Private Giving Foundation to give more to the charities you wish to support.

A photograph of two women sitting at a table, engaged in conversation. The woman on the left has long brown hair and is wearing glasses and a grey sweater. The woman on the right has curly brown hair tied up, is wearing glasses and a pink t-shirt over a blue shirt. They are in a bright, indoor setting with a window in the background. A dark green rectangular box is overlaid on the lower-left portion of the image, containing white text.

Your Private Giving Foundation donor-advised account can continue to generate grants in the future, establishing a legacy of charitable giving according to your wishes.

**Defers giving to meet your needs**

You can also use your donor-advised account as part of your estate plan. For example, you may leave a bequest to Private Giving Foundation. Alternatively, you may designate Private Giving Foundation as a beneficiary of a Registered Retirement savings plan, Registered Retirement Income Fund, Tax-Free Savings Account, or a life insurance policy which may result in considerable tax relief.

**Realizes immediate tax benefits**

Since they are irrevocable charitable gifts, your contributions to Private Giving Foundation may result in tax credits in the year when they are made, or they may be carried forward for credit in future years.

The tax credit for charitable donations may be claimed on your tax return (combined federal and provincial for donations over \$200).

The calculation below demonstrates the potential tax savings for individual donations in excess of \$200.

How much tax could you save?	Amount
Donation	\$10,000
Federal and provincial credits	\$4,500
Total tax savings as a % of gift	45%

For illustrative purposes only. Credit may be higher or lower depending on your province of residence. Donors subject to alternative minimum tax (AMT) should consult with their tax advisor

**Is convenient, cost-efficient and tax-effective**

Giving through Private Giving Foundation is a cost-efficient and convenient alternative to establishing a private foundation. A private foundation requires a significant initial contribution, legal fees to set up, regular board meetings, annual accounting fees and considerable administration. Opening a donor-advised account provides you with many of the same benefits, but it is very simple and convenient to operate with a low initial contribution, no set-up fees and no ongoing administration on your part.

In addition, if you donate qualified (publicly traded stocks, bonds, mutual funds and segregated funds) to Private Giving Foundation, any gains from the disposition of these securities are exempt from capital gains tax. Also, you receive a charitable tax receipt for their market value at the time of donation.

# Maximizing your charitable tax credit

Our federal and provincial governments encourage charitable giving by providing many tax incentives to individuals.

Listed below are some key tax considerations, but be aware that your charitable giving, especially large gifts, should be part of your overall wealth plan. We strongly recommend that you seek guidance from certified tax and investment professionals.

## **Pool tax receipts**

To help maximize your donation tax credit, you can pool your donation receipts with your spouse's and report them on one spouse's tax return. In most cases, the higher-income spouse should claim the credit.

## **Consider corporate donations**

If you make a corporate donation, your corporation may claim a tax deduction, not a tax credit. The value of this tax deduction depends on the organization's effective tax rate. Donating securities held in your corporation also qualifies for the elimination of capital gains tax. This type of donation also has the potential to provide the benefit of allowing for tax-free withdrawals from your corporation.

## **Carry forward large donations**

Each year, you can claim a tax credit for donations up to 75 per cent of the net income reported on your federal tax return, but you don't lose your tax break if you exceed that limit. The excess can be carried forward for up to five years, still subject to the 75 per cent limit in each year claimed.

# Your contributions

## **Contributions to Private Giving Foundation are invested in the TD Greystone Private Balanced Plus Fund.**

The Private Giving Foundation Board bears the sole responsibility and authority for investing Private Giving Foundation assets and may, without notice, remove or add investment funds in which it invests regularly. The TD Greystone Private Balanced Plus Fund (“the Fund”) is managed by TD Asset Management Inc. (TDAM). The Fund’s investment objective is to seek long-term total returns (current income and capital appreciation) by investing in a balanced portfolio of equity, fixed income, and alternative asset classes, within a narrow outcome range. The Fund seeks to be more income-focused than typical balanced funds and to provide lower-return volatility through greater diversification and lower correlation of the asset classes invested in.


For additional information on the fund, please visit [www.tdwealth.ca/privategiving](http://www.tdwealth.ca/privategiving).

## Building your giving plan

Developing your giving plan is like developing an investment plan. Once you have identified your financial giving goals and objectives, you should research your options to determine the best ones for you.

Some of the most effective donors develop a philanthropic plan and devote their money and energy to specific causes that are important to them. The charities they select benefit from having a steady and engaged donor, and donors benefit from a greater sense of involvement and satisfaction.



A group of three construction workers, two men and one woman, are shown in a construction site. They are wearing light blue long-sleeved shirts and safety glasses. The man on the left is wearing a blue hard hat and is smiling broadly, looking upwards. The woman in the center is wearing a white hard hat and is also smiling, looking towards the right. The man on the right is wearing a yellow hard hat and is smiling, looking upwards. They appear to be engaged in a conversation or looking at something off-camera. The background shows the wooden framing of a building under construction.

What are the issues,  
interests or causes that  
I care about most or  
that have had the most  
impact on my life?

# Using our six-step planning model to decide on causes you can support

If you haven't already decided on which causes to support, our six-step planning model can help. The Private Giving Foundation simplifies the act of giving, but it is by no means your only choice. If you plan to implement your charitable giving plan through alternative resources, you can still use the following six-step method to organize your effort and help ensure that any opportunities to maximize the impact of your legacy aren't overlooked.

## 1 Identify your values

Make a list of values that you use to conduct yourself in your daily life with family, friends and business associates. Ask yourself:

- What values are most important to me?
- What are the issues, interests or causes that I care about most or that have had the most impact on my life?
- How do I want to be remembered?

### Write down your top three personal values from this list

Access	Diversity	Healing	Opportunity
Community	Equality	Innovation	Peace
Compassion	Excellence	Integrity	Respect
Creativity	Family	Justice	Responsibility
Democracy	Freedom	Knowledge	Service
Dignity	Generosity	Leadership	Stability

Other:

## Identify your causes

Review your list of values. Does one of the causes below fit more obviously with your list than others? Ask yourself:

- Does this cause easily address the values that I listed in Step 1?
- Have I lost someone important to me to a disease?

### Write down your top two causes from the following list

Animals	Dignity in dying	Employment training	Poverty
Anti-racism	Disability rights	Environment	Religion
Arts and culture	Domestic violence	Health	Seniors
Children	Drug and alcohol abuse	Homelessness	Sports
Community activities	Education	Immigrant services	Women's rights
Cultural heritage		Literacy	Youth development

Other:

## Identify your geographic focus

Decide whether you want to allocate your funds on a local, provincial, national or global level. This illustration shows someone who has chosen Education as the cause, with the focus being Literacy.

Cause: Education | Focus: Literacy

**National Charity** A charity that recruits and trains volunteers as tutors for children, teens and adults and is active in every province.

**Local Charities** Libraries, reading circles for high-risk children, homework clubs for teens in danger of dropping out of school, language programs to help make recent immigrants job-ready.

## Research your options

You have now identified your values and the causes and regions to which you want to allocate your funds. If you are not aware of a charity that reflects these criteria, brief research should help. Here is a list of some of the websites where you can look up various charities for the causes that you have chosen.


<a href="http://canadahelps.org">canadahelps.org</a>	Find a charity in the search bar by searching a charity name, business number or keyword.
<a href="http://donorsguide.ca">donorsguide.ca</a>	The most recent Canadian Donor's Guide provides contact and basic information about more established and active charitable organizations across the country.
<a href="http://charitydata.ca">charitydata.ca</a>	This site provides information on registered charities as disclosed by those charities in their annual information return filed with Canada Revenue Agency.

## Evaluate your choices

Request a copy of the charity's annual report, list of board members and latest financial statements. This information should provide you with a clear idea of the type of programs the charity operates, how and where these programs are carried out, who governs the charity, and their overall financial situation.

## Designate your donations

As you research potential charities, you may discover interesting programs you want to support directly. If you wish to donate to specific programs, check with your selected charities to ensure that they can accept designated funds and will follow through on your wishes.

A young woman with dark hair pulled back, wearing a bright green t-shirt over a white long-sleeved shirt and white work gloves, is smiling warmly. She is holding a clipboard and appears to be engaged in a conversation with others. The background is a soft-focus outdoor setting with trees and foliage.

Decide whether you want to allocate your funds on a local, provincial, national or global level.



Plan your giving more effectively, create a legacy for charities you wish to support and realize tax advantages. Open your donor-advised account with the Private Giving Foundation, offered exclusively through TD Wealth. To find out more about how this program can help you reach your charitable giving goals, please contact your representative or visit [www.tdwealth.ca/privategiving](http://www.tdwealth.ca/privategiving).

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