Table of Contents

1.	CHA	PTE	R 1 — OVERVIEW OF CHARITABLE GIVING	. 1
	1.1	Intro	oduction	. 1
	1.2	Reci	pients of Charitable Giving	. 3
		(a)	Meaning of "Charity"	. 3
		(b)	Registered Charities Under the Income Tax Act	. 5
		(c)	Designation of Registered Charities Under the Income Tax Act	. 7
	1.3	Gene	eral Tax Benefits of Charitable Giving	10
		(a)	Overview of Tax Benefits for Individual Donors	11
		(b)	Overview of Gifts of Capital Property by Individual	
			Donors	13
		(c)	•	14
2.			R 2 — CHARITABLE GIFTS AND CHARITABLE	
			TING	
	2.1		at is a "Gift"?	17 20
	2.2			
		(a)		20
		(b)		24
	2.3	-		
		(a)	Provision of Services	
		(b)	Loans of Property	
		(c)	Donor-Directed Funds	29
		(d)	•	30
		(e)	Ž	30
		(f)		
		(g)		
		(h)	Sponsorship	31
		(i)		32
		(j)		
		(k)	Fundraising Events	
		(1)	Charity Golf Tournaments	33
		(m)	Membership Fees	34
		(n)	Auctions	34

		(o) Naming Rights	35	
	2.4	Content and Issuance of Charitable Receipts		
	2.5	Consequences for Improper Receipting	38	
3.		PTER THREE — TYPES AND FORMS OF CHARITABL		
			41	
	3.1		41	
	3.2		43	
	3.3	· · · · · · · · · · · · · · · · · · ·	44 45	
	3.4		45 46	
			40 47	
			47 48	
			48	
		(ii) Issues Involving Testamentary Gifts of Private		
		1 2	50	
			51	
	3.5		52	
		(a) Charity-Owned Insurance Policy	52	
		(b) Donor-Owned Insurance Policies and Other Beneficiary Designations	54	
		(c) Gifting Through a Corporation		
	3.6	.,	56	
	3.7	New and Unusual Gifts	56	
		(a) Limited Partnership Interests	56	
		(b) Interest in a Hedge Fund	57	
		(c) Flow-Through Shares	58	
		(d) Tax Free Savings Accounts	59	
		(e) Cryptocurrency Gifts	59	
		(f) Gifts by Crowdfunding	60	
	3.8	Canada/U.S. Cross-Border Charitable Gifts	61	
4.	CHA	PTER FOUR — TESTAMENTARY CHARITABLE		
GIVING		ING	63	
	4.1	Forms of Testamentary Charitable Giving	64	
			64	
		(b) A Gift of All or Part of the Residue of the Estate	65	
		(c) A Contingent Gift to Be Made in the Event That a Beneficiary Predeceases the Testator	65	

		(d) A Gift That is Subject to an Intervening Life Interest, Where the Registered Charity Only Becomes Entitled to the Gift Upon the Death of the Life Tenant
		(e) A Gift of a Discretionary Beneficial Interest in a Testamentary Trust
		(f) Other Gifts Arising on Death of Donors
	4.2	Taxation on Death and Benefits of Charitable Giving 67
	4.3	The New Testamentary Charitable Giving Tax Regime 68
		(a) Background
		(b) What Are the Benefits of Being a GRE?
		(c) Okay, So Now We Know What A GRE is. How Does This Affect Testamentary Charitable Gifting?
		(d) Testamentary Charitable Giving Under the New Rules 72
		(e) Deemed Gifts
	4.4	Best Practices for Effective Testamentary Charitable Giving 75
	4.5	Testamentary Gift Management by Registered Charities 78
5.	CHA	APTER 5 — TRUSTS AND CHARITABLE GIVING 81
	5.1	Trusts Under the Income Tax Act
	5.2	Forms of Charitable Gifts Involving Trusts 83
	5.3	Life Interest Trusts and Charitable Gifts
	5.4	Testamentary Charitable Giving From a Graduated Rate Estate 87
	5.5	Charitable Remainder Trusts
6.	CHA	APTER 6 — DONOR RESTRICTED CHARITABLE GIFTS . 93
	6.1	Types of Restrictions
		(a) Restricted Purposes
		(b) Restrictions on Expenditures
	6.2	Consequences of Restrictions
	6.3	Tips and Traps for Donors and Registered Charities 101
		(a) Issues with Respect to Excessive Restrictions and Donor Retention of Control
		(b) Acceptability of Donor-Imposed Restrictions 102
		(c) Compliance with Restrictions: What is the Oversight? 102
		(d) Amending Restrictions Once Imposed 103
		(e) Flexibility and Alternatives Important for Donors and Registered Charities

7.	СНА	PTER 7 — DOCUMENTING CHARITA	BLE GIFTS	107
	7.1	Charitable Gift Agreements		107
		(a) Identification of Parties		108
		(b) Identification of Gift Property	, 	108
		(c) Settlement of Charitable Purpose Trust		
		of Precative Gift		109
		(d) Specific Charitable Purposes and Alter Purposes		109
		(e) Terms of the Charitable Trust Fund		110
		(f) Distributions from the Charitable Trust	Fund	111
		(g) Transfer of Charitable Trust Fund		112
		(h) Donor Advisors		112
		(i) Reporting to Donors		112
		(j) Recognition of Donors		113
	7.2	Charitable Pledge Agreements		114
8.		PTER 8 — GIFT-MAKING: DUE DILIG		
		DONORS		119
	8.1	Reviewing Personal Goals and Circumstance		119
	8.2	Regulation of Registered Charities		120
		(a) Exclusively Charitable Activities		122
		(b) Disbursement of Charitable Funds		122
		(c) Direction and Control Over Charitable		123
		(d) Disbursement Quota Obligations		123
		(e) Charitable Receipting		124
		(f) Business Activities		124
		(g) Fundraising Activities		125
		(h) Political Activities		126
		(i) Other Compliance Obligations		126
	8.3	Primary Due Diligence Questions for Donor Gift-Making		127
	8.4	Abusive Tax Shelter Charitable Gifting Arra	angements	128
9.		PTER 9 — GIFT ACCEPTANCE: DUE 1		
		CHARITIES		131
	9.1 Primary Due Diligence Questions for Registered Charities Prior to Gift Acceptance			
		(a) Who is the Donor?		132

		(b)	What is the Property Being Gifted?	135
		(c)	What is the Value of the Gift for Charitable Receipting	
			Purposes?	136
	9.2	Coı	mponents of a Gift Acceptance Policy	136
10.	CHA	PTE	R 10 — CORPORATE PHILANTHROPY	141
	10.1	Git	fting, Sponsorship and Other Tax Issues	141
		(a)	Gifting Versus Sponsorship	141
		(b)	Gift Acceptance Issues	144
	10.2		rporate Sponsorship Agreements and Sponsorship licies	145
		(a)	Documenting of Sponsorship Arrangement in	
		()	Written Agreement	146
		(b)	Acceptable and Non-Acceptable Sponsorship	
			Arrangements	146
		(c)	Specificity with Respect to the Parameters of the	
			Sponsorship Arrangement	147
	10.3	Str	rategies for Corporate Philanthropy	148
	10.4	Co	rporate Parallel Foundations	152
		(a)	Potentially Positive Factors	152
			(i) Centralization, Cohesiveness and Coordination	152
			(ii) Flexibility	153
			(iii) Control	153 153
		<i>a</i> >	(iv) Publicity	
		(b)	Potentially Negative Factors	153
			(i) Administrative and Regulatory Compliance Burden .(ii) Potential for Negative Publicity	153 154
		(a)	Steps to Establish a Parallel Foundation	154
		(c)	(i) Form	154
			(A) Permanence	
			(B) Familiarity	
			(C) Separate Existence	
			(D) Title to Real Estate	
			(E) Administration	. 155
			(F) Simplicity and Certainty	
			(G) Delegation	
			(H) Directors' Liability	
			(ii) Jurisdiction	
			(iii) Charitable Purposes and Activities	
			(iv) Control and Funding	157

(d) Designation as a Registered Charity	158			
11. CHAPTER 11 — CHARITABLE GIVING STRATEGIES				
FOR INVOLVED DONORS	159			
11.1 Private Foundations	159			
11.2 Donor-Advised Funds	166			
CHECKLIST: PRELIMINARY QUESTIONS WHEN PREPARING CHARITABLE GIFT AGREEMENTS	172			
CHECKLIST: PRELIMINARY QUESTIONS WHEN PREPARING CHARITABLE PLEDGE AGREEMENTS	174			
CHECKLIST: PRELIMINARY DUE DILIGENCE QUESTIONS FOR DONORS PRIOR TO GIFT-MAKING	176			
CHECKLIST: PRELIMINARY QUESTIONS WHEN PREPARING GIFT ACCEPTANCE POLICIES	177			
CHECKLIST: PRELIMINARY QUESTIONS WHEN PREPARING SPONSORSHIP AGREEMENTS	179			
CHECKLIST: PRELIMINARY QUESTIONS FOR EFFECTIVE TESTAMENTARY CHARITABLE GIVING	180			
CHECKLIST: PRELIMINARY DUE DILIGENCE QUESTIONS FOR REGISTERED CHARITIES PRIOR TO GIFT ACCEPTANCE	181			
INDEX	183			