



# GLOBALFIRE

DAVID MCANTONY GIBSON FOUNDATION

## **Donation Guidelines**

DMGF and GlobalFire recognize 4 general types of donations. They are listed below with the rules that apply to each.

### **1 – Non-cash (Gift-In-Kind; Equipment) Donations**

We will accept useful items which are in new, decent or light repair condition, using one of the following 3 methods. Please note that a waiver of liability can be provided upon request, no matter which of the following 3 methods of non-cash donation is used.

**1 – Charitable giving:** The donor provides items to DMGF / GlobalFire, asking only that the goods make it to disadvantaged recipients somewhere in the global community.

**2 – Charitable Purchase:** DMGF / GlobalFire purchases the donation item(s) for \$1 Canadian.

**3 – Gift-In-Kind:** The donor requests a charitable donation tax receipt be issued for the provided items (the rules for which are outlined below).

- Tax receipts can be issued for the fair market value (FMV) of goods received that are of use to the charity.
- The CRA defines FMV as “*the highest dollar value you can get for your property in an open and unrestricted market and between a willing buyer and a willing seller who are knowledgeable, informed, and acting independently of each other.*”
- Tax receipts cannot be issued for services received (ie; time, skills or efforts).
- **The FMV of the goods must be assessed by the donor and included on an additional document to be provided with the donation’s invoice.**
- The donor must show three separate source quotes to demonstrate the value of the items being donated. The lowest value can then be selected from these quotes and called the item's FMV.
- **HST/GST should not be included in the fair market value of goods donated.** Charities cannot issue a receipt for tax paid.
- A full name (or business name) and address must be included on the donation’s invoice in order to issue a tax receipt.
- The demonstrated FMV of items being donated will be confirmed by our staff before a receipt is issued.

### **2 – Cash & Cheque Donations**

- Donors can drop-off, or mail, cash and cheques to our office at: **20 Claireport Cres, Unit #9, Toronto, ON, M9W 6P6.**
- Tax receipts can be issued for donations \$20 and over.
- A full name (or business name) and address must be provided in order for a tax receipt to be issued. Please note there is a 10 to 14 day grace period between the deposit of funds and a receipt being issued.
- If an e-mail address is provided, an electronic tax receipt will be sent. This method is preferred as it cuts costs. E-mail addresses will not be used for solicitation.

### **3 – Electronic Financial Donations**

- Donors can go on-line to our website ([www.globalfire.ca](http://www.globalfire.ca)) and click on the “*Click Here To Donate Now*” button. They can also go directly to CanadaHelps.org and search for our charity (DMGF and/or GlobalFire will both work).
- Donors can use credit cards, PayPal accounts or even Interac to make a donation.
- Tax receipts will be issued immediately once the donation is made and e-mailed directly to the donor. **This receipt will be from CanadaHelps.org as they are a registered charity.**
- It should be noted that there is a 3.9% fee taken off before the money is transferred to us, therefore cheques and cash are the best method to ensure 100% of donated funds are taken in by the charity.

#### **4 – Property Donated For Use At Auctions**

- A tax receipt may be issued for property donated for sale at an auction. However, the fair market value (FMV) of the property must be determined before a receipt can be issued.
- Gifts of services, for sale at an auction or otherwise, are not eligible for an official donation receipt.
- A successful bidder may also be issued a tax receipt for the amount in excess of the FMV that the bidder pays. However, it must be possible to determine the item's FMV, and that value must be posted before the start of the auction.
- For an official donation receipt to be issued, the FMV of the property the bidder receives cannot exceed 80% of the purchase price. (For example, a trip worth \$1000 is donated to a silent auction. The winning bidder pays \$1500 for the trip. A tax receipt can be issued to the donor of the trip for \$1000 and a receipt can be issued to the winning bidder for \$500 – if the winning bidder pays less than the trip is worth, a receipt will not be issued).

