

BMO Nesbitt Burns Charitable Giving Program



Making the world a better place

Making the world a better place is important to you. So is reaching your financial goals. The BMO Nesbitt Burns Charitable Giving Program can help you achieve both. As part of your overall wealth management strategy, your BMO Nesbitt Burns Investment Advisor will introduce you to your local community foundation where you will work with them to set up your own donor advised fund. Just as you depend on your Investment Advisor's expertise for investment advice, you can draw on the knowledge and expertise of the community foundation to help you make informed charitable decisions.

Once your donor advised fund is established with the community foundation, you can recommend that grants be made to your favourite charities, or to a specific area of interest, while receiving important tax benefits for any donations made to your donor advised fund. This unique, flexible solution provides a simple, efficient way for

you and your family to build a lasting legacy for tomorrow – while supporting charitable causes you care about today.

Working together with Community Foundations across Canada to create a lasting legacy

The BMO Nesbitt Burns Charitable Giving Program is an innovative philanthropic service offered through BMO Financial Group's alliance with Community Foundations of Canada (CFC). CFC is the national membership organization for Canada's community foundations. CFC was founded in 1992 to connect and support the country's growing community foundation movement.

The local community foundations have intimate knowledge of the non-profit organizations and charities in their areas and can provide an informed view of local issues so you can have an even greater impact on the priorities that are close to your heart.

Key benefits

- A convenient alternative to establishing a private foundation and is both tax-efficient and cost-effective.
- You have the benefits of running your own foundation, with none of the administrative worries. Your donor advised fund can be set up quickly and all the record-keeping and tax reporting is looked after for you by the community foundation.
- Direct grants to the areas and issues that matter most to you. You have the opportunity to focus your giving, which can be an important element of your overall financial plan.

- Involve family members in the grantmaking process and name a family member or another individual to succeed you as advisor for grants from your donor advised fund after your death.
- Establish a donor advised fund with a minimum initial contribution of \$25,000. Additional contributions in increments as low as \$1,000 can be made at a later date.

Potential tax benefits

While no one becomes a philanthropist simply to get a tax credit, the BMO Nesbitt Burns Charitable Giving Program can offer considerable tax benefits:

- In most cases, you can claim a tax credit in the year that a gift is made for up to 75 per cent of your net income for the year.
- If the donation exceeds the 75 per cent limit, the excess can be carried forward for an additional five years. In the year of death, the tax credit for donations increases to 100 per cent of net income and any excess donations can be carried back one year.

- Recent federal budget changes have eliminated the capital gains tax payable when you make a charitable donation of publicly-traded securities such as shares, bonds and mutual funds.
- Assets in your donor advised fund grow tax free, which may allow them to support greater charitable giving over time.

While favorable tax treatment allows you to maximize the amount of your charitable gift, the insight and experience provided by the community foundation will allow you to maximize the impact of your charitable donation.

To learn more, speak to your BMO Nesbitt Burns Investment Advisor to find out how easy it is to set up a fund through the BMO Nesbitt Burns Charitable Giving Program.