

# Tax Receipt Guideline

Canadian Tire Jumpstart Charities (“Jumpstart”) is a registered Canadian charity (charitable organization #137929451RR0002) and is eligible to issue official receipts for income tax purposes. Jumpstart is obligated to adhere to Canada Revenue Agency (“CRA”) regulations with regard to the issuance of official tax receipts.

Jumpstart is able to issue an official tax receipt for a donation if the required conditions are met as per the CRA guidelines. If the conditions are not met, Jumpstart can issue an acknowledgement letter to thank donors for their generous gifts.

For clarification on the conditions by which Jumpstart will issue an official receipt for tax purposes, please refer to the chart below which is based on the CRA regulations. For further information please refer to the CRA website at <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/issuing-receipts.html>.

<b>Jumpstart will issue an official tax receipt for:</b>	<b>Jumpstart will not issue an official tax receipt for*:</b>
<ul style="list-style-type: none"> <li>• Cash donations of \$20 or more where no value was received in return by the donor</li> <li>• A donation made through Jumpstart’s website <a href="http://jumpstart.canadiantire.ca">jumpstart.canadiantire.ca</a> (tax receipts are issued via email at the time of donation)</li> <li>• Gifts in kind (gifts of property other than cash). Receipts will be provided based on their fair market value (if value can be established) of the donated item (refer to definition of fair market value on page 2)</li> <li>• Donations made during third party fundraising events where the item value details have been communicated to Jumpstart in advance, and follow Jumpstart’s fundraising guidelines**</li> <li>• Donations of securities of publicly traded companies</li> <li>• For silent or live auctions organized by Jumpstart, receipts will be issued for the incremental value of the winning bid that exceeds the fair market value of the item received, if the following conditions are met:             <ul style="list-style-type: none"> <li>○ The value of the item is clearly indicated in advance of the live auction, or is clearly indicated on the bid sheet of a silent auction, and</li> <li>○ The value of the advantage received is 80% or less of the fair market value of the donation, then an official tax receipt may be issued for the difference</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Donations received as a result of an obligation or inducement (i.e. a court ordered transfer of property)</li> <li>• Pledges (refer to definition on page 2)</li> <li>• Donations of services</li> <li>• Donation of gifts in kind received by third party event organizers (as opposed to Jumpstart directly)</li> <li>• Gift cards and certificates that are donated by the issuer</li> <li>• Donations from other registered charities</li> <li>• Donations of securities for private companies</li> <li>• Donated use of vacation property</li> <li>• Purchase of lottery or raffle tickets</li> <li>• Sponsorships (refer to definition on page 2)</li> <li>• Purchase of tickets or entrance fees to an event (gala, show, sporting event or auction) where the donor is receiving value in return for the donation</li> <li>• A donation made to win an “experience package” where a fair market value is not clear and where an appraisal is not available (i.e. a dinner with an executive or athlete)</li> <li>• Silent or live auction prizes where it was clearly communicated at the time of auction that a tax receipt is not available. Jumpstart will not conduct valuations or appraisals, nor incur costs for third party valuations or appraisals</li> </ul>



\* Acknowledgement letters can be issued to thank the donor and to support the business expenditure.

\*\* Event organizers are required to provide details to Jumpstart for approval in advance of an event. Event details must be emailed to [jumpstart@cantire.com](mailto:jumpstart@cantire.com) at least four weeks in advance of the event. Please include the following details in your email: event date, location, audience, fundraising target and any request to use the Jumpstart brand image. In order for donors attending the event to receive official tax receipts, the event organizer must provide a complete record of accounting details for the event (revenue and expenses). Official tax receipts will be provided for donations over \$20 where the donor contact information is provided along with donation amount. The amount donated to Jumpstart must be greater or equal to total amount of receipts requested.

For more information on fundraising events and activities please refer to the CRA website at <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/rcpts/fndrsng-eng.html>.

## Definitions

### Fair market value

CRA defines fair market value as the highest price, expressed in a dollar amount that the property (item) would bring, in an open and unrestricted market, between a willing buyer and a willing seller who are knowledgeable, informed and prudent and who are acting independently of each other. Fair market value does not include taxes or commissions. If the fair market value cannot be established then a tax receipt cannot be issued. Fair market value can be established using the following methods:

- Proof of purchase from the donor (receipt or bill of sale)
- Price list for the item from a commercial enterprise independent of the donor
- Through a valuation or appraisal process

For more information regarding the calculation of fair market value please refer to the CRA website at <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/rcpts/dtrmnfmv-eng.html>.

### Sponsorship

CRA defines sponsorship as when a business makes a donation to a charity and, in return, receives advertising or promotion of its brand, products or services (i.e. company exposure on banners, signage, promotional materials or advertising.)

### Pledge

CRA defines a pledge as a promise to make a donation in the future. It is not a gift until the charity actually receives the donation. Therefore, an official tax receipt cannot be issued until the donor has fulfilled the pledge by making a donation.

For more information regarding this guideline, please contact Kelly Carmichael, Manager, Stewardship at [kelly.carmichael@cantire.com](mailto:kelly.carmichael@cantire.com).