

Donations to the Shooting Federation of Canada

Role of Shooting Federation of Canada

The SFC administers the Donation Fund, which can provide tax-deductible receipts for unconditional contributions to amateur competitive and recreation shooting in Canada. Donations are only eligible for tax receipts if the donor or related party does not directly or indirectly benefit from the donation in any way other than the tax benefit.

As the governing organization for Shooting Sports in Canada, the SFC has established the Donation Fund Program to assist Competitive and Recreation Shooting Sports Associations in obtaining financial support. This program is established by the SFC to help enlist donors to support competitive and recreational shooting development.

The SFC provides this service without charging any administration fees. The full amount of each donation goes directly to the support of competitive and recreational shooting in Canada.

Definition

Gift/Unconditional Donation – is a voluntary transfer of property without valuable consideration. A gift is made if the following three (3) conditions are satisfied:

- 1 Property, usually cash, is transferred by a donor to a registered charity;
- 2 Transfer is voluntary; and,
- 3 Transfer is made without exception of return. No benefit of any kind may be provided to the donor or to anyone designated by the donor.

Donation Fund Process

A donor may provide a donation through the SFC's Donation Fund Program if:

- The donor makes an **unconditional donation** to the Donation Fund Program. Although the donor may suggest that the donation go to a specific SFC program in competitive and recreational shooting, it is unconditional in nature. The SFC is not obligated to follow the suggestion of the donor.
- A completed letter as outlined in the Appendix must accompany each donation.
- The SFC will review the Donation Fund on a monthly basis and will determine distribution of funds to the programs and clients of the SFC. In disbursing funds, the SFC will consider, but will not be bound by, the requests made by donors.
- The donor must **not** be related to any potential benefactor of the donation if he/she is to be eligible for a charitable tax receipt. Please see the limitations and conditions section for more information.
- The appropriate Competitive and Recreation Shooting Sports Associations will receive funds once approved by the Foundation and the Executive Committee. The Competitive and Recreation Shooting Sports Association will be required to account for the donation received to the SFC by submitting original expense claims and receipts.
- The donor is issued a tax receipt.

Tax Receipts

To obtain a tax receipt for your donation, the following process must be followed:

- The cheque is payable to the Shooting Federation of Canada;
- The donation **must be** accompanied by a covering letter (in the Appendix). If this unconditional donation letter does not accompany the donation, the donation will be returned.
- Cheques, together with this covering letter, should be forwarded to
Shooting Federation of Canada
Donation Fund Program
45 Shirley Blvd, Nepean, ON K2K 2W6

Limitations and Conditions

The SFC will not issue an official receipt for income tax purposes if the donor has directed the Foundation to give the funds to a specific person, family or team.

The SFC may issue an official receipt for income tax purposes if the donor has suggested that the donation be used in a particular program supported by the SFC provided that:

- no direct or indirect benefit accrues to the donor
- no direct or indirect benefit accrues to any person related to the donor (see below for a definition of related persons)
- the donation is unconditional and does not obligate the Foundation to follow the suggestion
- reciprocal donations (two or more unrelated individuals sponsoring each other's related persons) are not permissible

Definition of Related Persons

Individuals

- Individuals are considered related if they are connected by blood, marriage or adoption.
- The Canada Customs and Revenue Agency interpretation bulletins discuss and describe many diverse and complex situations where individuals are related to one another. Only the more common and straightforward situations have been listed.
- A donation is considered non-arms-length if the donor falls into any of the categories listed below. Please be advised that this list is not all-inclusive - please contact Sandra Deeks at (613) 727-7483 if you have further questions on this matter.

Canadian Revenue Agency defines related parties as below:

- Grandparents/grandmother-in-law/grandfather-in-law
- Parents/mother-in-law/father-in-law
- Siblings/brothers-in-law/sisters-in-law
- Children born within a marriage
- Children that have been adopted
- Children that are wholly dependant on him/her
- Stepchildren
- Sons-in-law/daughters-in-law

Corporations

- Generally and simply, an individual is related to a corporation if the corporation is controlled by an individual related to him/herself.
- Control is most commonly defined by having a majority (over 50%) of the voting shares of the corporation.