



CHARITABLE TAX RECEIPT POLICY

The Royal Canadian Golf Association (RCGA) was founded in 1895 and conducts business as Golf Canada, a not for profit organization (designated by Sport Canada as a Registered Canadian Amateur Athletic Association "RCAAA"). The Association's RCAAA designation also provides charitable status permitting the issuance of charitable receipts for eligible donations.

Golf Canada's Canada Revenue Agency (CRA) registered charity number is **107928665 RR0001**.

Golf Canada will provide a tax receipt, for donations meeting the eligibility requirements noted below. Golf Canada reserves the right to refuse any gift which might jeopardize the tax-exempt status of Golf Canada or which, in its opinion, fails to meet the general principles or values of Golf Canada. The following policy outlines the process that will be utilized for all charitable donations to Golf Canada.

Eligibility Criteria for all Charitable Tax Receipts Issued:

- Donations must be a minimum of \$20
- Donations must be voluntary
- Donors nor anyone not at arm's length to the donor can accrue any benefit from the contribution
- The donation must be received directly by Golf Canada - cheque written (or cash provided) to Golf Canada
 - If a collection of donors exists, a championship host club or organization may collect the money and issue a single cheque to Golf Canada that is reconciled to a detailed donor list.
- The amount of the receipt will contemplate a reduction for any advantage provided to the donor in accordance with the Income Tax Act, administered by the CRA, commonly referred to as split-receipting. In split-receipting circumstances where the advantage received is greater than 80% of the amount donated, a tax receipt cannot be issued. Advantages may include, but are not limited to, meals received, greens fees, cart rentals and gift packages. See Exhibit A for example
- Golf Canada must control and direct the use of the donation. Donors cannot choose the specific beneficiaries of their donations but can still donate to a program of their choice (i.e. a championship, Golf in Schools, Golf for the Cure etc.)

Championship Specific Donations:

- All donations are included in the Championship Budget that is managed by the Joint Tournament Committee (consisting of Golf Canada and Host Club stakeholders); the Committee – not the Donor– then decides how the funds will be used to enhance the overall tournament (additional gifting for players or volunteers; a legacy in the community; donation to the Golf Canada Foundation; etc.)
- In accordance with the CRA, Donors cannot receive benefits for donations, including but not limited to, any upgrades to Club facilities that they are a member, advertising or sponsorship for their donation, or future benefit (tee time preferences, discounts, etc.)

Gifts in the form of property, stocks or estate gifts:

- Donations must include a transfer of property
- If the estimated value of the property exceeds \$1,000, a valuation specialist will be used to value the gift
- The value of the tax receipt when stocks are donated will be equal to the closing bid price (multiplied by the number of units donated) on the date of contribution
- The date of contribution is the date the transfer is completed – received by Golf Canada. A donor's instruction to his or her broker to transfer units does not qualify as a completed contribution for tax purposes

Gifts of Services:

- Golf Canada can only issue tax receipts for donations that legally qualify as gifts. Donations of contributed services, such as time, skills, and effort are not considered transfers of property and therefore, are not considered gifts in accordance with the Income Tax Act
- Golf Canada may issue an official donation receipt if a person provides a service for which we pay, and the person then returns the payment to Golf Canada as a gift. In such circumstances, two transactions have taken place, the first being the service and the full payment by Golf Canada, and the second being a gift proper. Golf Canada and the donor must proceed by way of an exchange of cheques in order to constitute a donation and tax receipt eligibility

Tax Receipt Benefits:

- Corporations may be able to claim input tax credits (ITCs) within GST/HST filings for the sales taxes paid in qualifying split-receipting examples. Corporations may recover a portion of the GST/HST payments paid on purchases relating to business expenses. Donations are considered a business expense - a reduction from income, reducing corporate income taxes payable. There are no additional tax benefits for the corporation by obtaining a charitable tax receipt
- Personal taxpayers are eligible to claim the value of the tax receipt on their personal income tax return as a non-refundable tax credit, reducing any personal income taxes owing

Golf Canada adheres to all CRA rules and regulations governing the issuance of tax receipts by Registered Canadian Athletic Amateur Associations. Golf Canada takes no responsibility for the charitable donation tax credit amount the donor receives when filing their personal tax returns and recommends obtaining professional advisory support prior to donating. Further information and guidelines can be found on the CRA website.

[“Giving to Charity”](#) [“Gifts of Services”](#) [“Fundraising Events”](#)

EXHIBIT A

A Donor pays \$300 to attend a championship dinner – in attending the dinner; the donor received a meal, gifting, and a live band performance. The fair market value of these items is \$80, \$70 and \$20, respectively. Fair market value is calculated based on average / or pro-rata to all guests in attendance. These items are considered “Advantages” based on CRA definitions and the cost of the Advantages received must be deducted from the price of admission (\$300) to arrive at the charitable tax receipt amount. In this event, the total advantages are 57% of the donation paid and a tax receipt of \$130 could be issued to each paying guest (donor).