

# About Charitable Donations

FOR MORE  
INFORMATION  
ABOUT OPERATING A  
CHARITY AND  
CHARITABLE  
DONATIONS VISIT:  
[WWW.CRA-  
ARC.GC.CA](http://WWW.CRA-ARC.GC.CA)

## Time, Services & Merchandise

A donation receipt can only be given when the true value of the donation is known. It is often difficult to determine the value of a gift-in-kind. To simplify matters the Federation will only issue official receipts for income tax purposes for cash donations. While we are most grateful for donations of time, services and merchandise we regret that no official receipts for income tax purposes will be issued for them.

Since 1999, the Ontario Federation of Home and School Associations has been a registered charity with the ability to issue official receipts for donations that legally qualify as gifts. Donations in the amounts of \$25 or more made to the Federation are eligible to receive an Official Receipt for Income Tax Purposes. Receipts can be issued to individuals, businesses and corporations.

## Procedure for Charitable Donations

1. Associations and Councils receive the donations and deposit them into the Association or Council bank account.
2. Write an Association or Council cheque for the total amount of the donations received to the Ontario Federation of Home and School Associations (OFHSA) and mail the cheque along with the following materials to the Federation office:
  - A list of donors including each donor's name (first, middle initial, last) and home address OR the business name and address.
  - The name and address of the H&S association
  - The name and address of the person authorized to acknowledge receipt of the funds
  - A one-line description of how the association plans to use the funds.
3. The Federation will deposit the cheque in to the OFHSA Donations account and then issue a cheque to the Association or Council for the amount of the donations minus a one percent handling fee.
4. The Federation will issue official receipts for income tax purposes to each donor and send those receipts, along with the cheque, to the Association or Council for distribution.

## Why does OFHSA charge a fee?

There are costs associated with issuing official receipts for income tax purposes including the time of our executive secretary, the receipts and copying of those receipts and mailing of receipts to the association or council.

The one percent that OFHSA withholds goes towards offsetting those costs.

## Please be patient!

Before receipts can be issued the association or council cheque must clear. It is then a time-consuming process to record the donations and issue the receipts. Receipts will be issued for all donations made during a calendar year in time for the filing of tax returns the following year.

