



# Save taxes by donating a portion of your RRSP or RRIF to Ducks Unlimited Canada.

And rest assured your donation is helping to build a conservation legacy.

A future gift of a registered retirement savings plan (RRSP) or income fund (RRIF) can be made without sacrificing your retirement lifestyle and is a great way to reduce taxation on any remaining assets in your funds.

In your estate all of the assets in your RRSP or RRIF will be taxed as income on your final tax return. This can result in the loss of nearly half of these assets to taxation. By gifting all or even a portion of the remaining assets in your RRSP or RRIF to Ducks Unlimited Canada (DUC), you can eliminate most or all of these taxes.

## What you should know:

- ▶ You will receive a tax credit for your donation that can be used on your final income tax return. The credit is based on the value of the amount you designate to be gifted. This amount can be part of or all of the remaining assets in your RRSP or RRIF.
- ▶ You can use the tax receipt from the donation to offset up to 100 per cent of the taxable income on your final tax return.

*See over for more.*



**Ducks Unlimited Canada**  
Conserving Canada's Wetlands



“I’m happy to leave the rest to benefit waterfowl.”



## Rose’s Scenario

Rose was a widow who had always appreciated wildlife, especially waterfowl. When her husband was still alive, they decided that whatever was left in their RRSPs after they were both gone would go to Ducks Unlimited Canada. They named DUC as the beneficiary of the remaining assets of the last living spouse in their RRIF (successor of their RRSP).

When Rose passed away, there was approximately \$250,000 left in assets gifted to DUC.

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- ▶ Any amount of the tax receipt not used can be carried back one year to claim a refund on up to 100 per cent of the tax paid in the previous year.
- ▶ Gifts of RRSPs are not subject to probate fees.
- ▶ Because RRSPs/RRIFs roll over tax free to your spouse, this type of donation is most appropriate on the death of the last living spouse.

Following are two tax scenarios. The first one is the result of Rose’s gift to DUC. The second illustrates the taxes that would be paid if Rose chose to not gift her remaining assets to DUC.

<b>Scenario 1 - Remaining assets donated to DUC:</b>	<b>\$250,000</b>
Tax due on the remaining RRIF assets: (based on 45% of \$250,000)*	\$112,500
Less tax credit on \$250,000 donation (up to 100%): (based on 45% of \$250,000)*	\$112,500
<b>Tax due:</b>	<b>\$0</b>
<b>Amount to charity:</b>	<b>\$250,000</b>

<b>Scenario 2 - Remaining assets NOT donated:</b>	<b>\$250,000</b>
Tax due on the remaining RRIF assets: (based on 45% of \$250,000)*	\$112,500
<b>Tax due:</b>	<b>\$112,500</b>
<b>Amount to charity:</b>	<b>\$0</b>
Actual value of her RRIF assets after taxes:	\$137,500

\* Tax savings are approximate. We are assuming a 45% combined federal and provincial tax rate and a 45% combined tax credit. This will vary depending on where you live. The illustration above may not include all factors relevant to a donation situation. To fully determine how a planned gift can fit into your financial or estate plans, we suggest that you discuss these options with your legal, tax or financial advisors. DUC can provide a third-party contact to help if requested.

For further information on this program, please contact:

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The Feather Society is a special group of people who have included DUC in their financial and estate planning. Once you make a pledge to this program you will be presented with your Feather Society pin. Your name will also appear in our Annual Report as a contributor.