



AIDE-MÉMOIRE

ANNEX C

DONOR RECEIPTS

The receipts provided to persons who make a donation to the MPFBC work on a two-tier system (much like the United Way and other major Canadian charities). The first receipt provided or written locally at the unit level is referred to as the “First Level Receipt”. This demonstrates that the individual has made a donation. The “Official Tax Receipt” (when requested by the donor) is issued directly to the donor by mail from Ottawa. This document is signed by an authorized member of the Board and is issued in January for the previous tax year.

Note: all official receipts for income tax purposes are sent from the head office (there are no locally issued receipts for income tax purposes).

It is important to distinguish the difference between the process of issuing First Level Receipts and Official Tax Receipts. They are as follows:

- **First Level Receipts.** (Issued by Unit Representatives) The MPFBC is a registered charity and therefore has the ability to provide tax receipts for donations of greater than \$10. This can include donated objects such as prizes, goods or services (i.e. works of art, food/hotel vouchers, etc.). When a person or institution donates prizes, goods or services and wishes to receive an Official Tax Receipt, they must provide an exact value of the donation either on the voucher, or in the form of a written verification of the value on Company stationary. If in doubt, contact the Regional Representative responsible for your geographical area.

All donations which require an official tax receipt will be handled in the following manner:

- Each Unit Representative should have a first level receipt book (or Unofficial Serialized Receipts). If you do not have a first level receipt book, you may request one from the Treasurer. These books contain receipts that are not “official” tax receipts, but are used to request the official tax receipt. Consequently, please ensure that these first level receipts are fully and legibly completed.

- The receipts are issued in three carbon copies. The donor receives the original and checks off the box requesting an “Official Tax Receipt”.
- The second copy is to be held by the Unit Representative at the unit for future reference.
- The third copy is forwarded to the Treasurer at the end of the year by the Unit Representative.
- **Official Tax Receipts.** (Issued by the Treasurer) **The Treasurer** is responsible for controlling, handling, and the issuing official tax receipts for contributions in accordance with Revenue Canada Guidelines. The official tax receipt is mailed directly to the donor in February for the previous tax year and the Treasurer files a duplicate copy at corporate headquarters.

Every official receipt issued by the MPFBC to an organization or individual who has contributed funds shall contain a statement that, "it is an official receipt for income tax purposes". The Official Tax Receipt clearly shows:

- the name and address in Canada of the MPFBC as recorded with Revenue Canada.
- the registration number assigned by Revenue Canada to the MPFBC.
- the serial number of the receipt.
- the place or locality where the receipt was issued.
- the day on which, or the year during which, the donation was received.
- the day on which the receipt was issued where the day differs from the day on which the donation was received.
- the name and complete mailing address of the donor including, in the case of an individual, his first name(s) or initial(s).
- the amount of the donation.
- the signature of the Treasurer or an individual who is authorized, in writing by the Board of Directors to acknowledge donations.
- The Vice-Chair is responsible for ensuring that the process for issuing receipts is timely and efficient.

On-Line Donation Forms. Unit representatives should be aware that individual donation forms are available on-line at the MPFBC website at www.mpfbc.com. Should an individual or organization prefer to make a donation directly to MPFBC Headquarters without being issued a first level receipt from the Unit Representative, they may do so by mailing the donation and form to the address indicated.

Tax Receipts for Participants of MPFBC-Sponsored Golf Tournaments Golf tournaments are becoming an increasingly popular method of fundraising for the MPFBC. It should be noted however, that Revenue Canada has stringent guidelines for the issuance of tax receipts to individuals who participate in this form of charity fundraiser. Generally speaking, it is the responsibility of golf tournament organizers to determine the exact amount related to the provision of the actual golf game and any other good or service provided at no additional cost by the organizers (e.g. meal, electric cart, etc.). This does not include prizes. This amount must be deducted from the registration cost of the tournament and a tax receipt may be issued for the difference (provided it is \$10.00 or more).

For example: Organizers of a golf tournament determine (with the assistance of the host golf course management) that the “actual and real cost” per player amounts to \$55.00. This is broken down as \$30.00 for green fees, \$15.00 for electric carts, and \$10.00 for a BBQ lunch. The organizers charge a registration fee of \$75.00 per player. In this scenario, a tax receipt in the amount of \$20.00 is permissible. Note that even if players are provided with prizes, they are not factored into the determination of the receipt amount.