

## Tax Benefits of Giving – Win/Win for Charity and Donor

### With a \$10,000 gift, the donor will receive \$4,947.58 in tax savings

Giving to a registered charity provides enormous benefit to the charity, a good feeling for the donor, and also provides the donor with a reduction in Income Tax payable.

#### Charitable Donation Tax Benefit:

Individuals are permitted to receive a tax credit on donations made up to 75% of their net income. For residents of Nova Scotia (2024 Tax Year) this tax credit is tiered as follows:

<u>Cumulative Donations up to \$200</u>		<u>Remaining Cumulative in Excess of \$200</u>	
Federal Tax Credit	15.00%	Federal Tax Credit	29.00%
NS Tax Credit	<u>8.79%</u>	NS Credit	<u>21.00%</u>
Total Tax Credit	23.79%		50.00%

#### Example for Illustrative Purposes:

Annual Income of \$100,000

Total Charitable Donations of \$10,000.

The first \$200 in donations receives a tax credit of \$ 47.58

The remaining \$9,800 receives a tax credit of \$4,900.00

**Total Tax Credit** \$4,947.58

By donating \$10,000 to a registered charity you receive a tax credit or reduction in your Federal and Provincial Income tax owing of \$4,947.58.

**In essence, your \$10,000 gift to a registered charity, can create a \$4,947.58 income tax savings for making the donation.**

**Note:** Corporate donors can potentially achieve even higher savings than individuals — if you are incorporated, be sure to check with your accountant or tax advisor.

**\*Disclaimer:** This illustration does not substitute for tax advice from a professional and donors are encouraged to consult their accountants/tax advisors for advice specific to their circumstances. It is an estimate of the amount of the non-refundable tax credit that a donor may receive for monetary donations to a registered Canadian Charity. The calculator sourced from the Canada Helps website calculates this non-refundable tax credit for the 2024 tax year based on your province of residence and specific sum of donations for the 2025 tax year. It does not take into consideration all possible tax situations.

The charitable donation tax credit as a non-refundable tax credit may only be used to reduce tax owed. Other credits or restrictions may also apply related to your total income and additional considerations for residents of other provinces.

[Charitable donation tax credit calculator](#) via Canada Helps

[Charitable Tax Credits \(Individual\)](#) via Canada Revenue Agency

[Charitable Tax Credits \(Corporate\)](#) via Canada Revenue Agency