

GABRIOLA VOLUNTEER FIRE DEPARTMENT
Box 89 Gabriola Island B.C. VOR 1X0
Telephone: (250) 247-9677 Fax: (250) 247-9850

Charitable Receipts - Policy

Gabriola Fire Protection Improvement District will issue official receipts that qualify as charitable donations. If requested, the Fire Department will issue receipts for eligible donations with a cash value or net Fair Market Value of \$25.00 or more.

Purpose: The policy formalizes the charitable donations receipts program, including accounting for donations of cash or in-kind made to the Gabriola Fire Protection Improvement District.

This policy also outlines the standards for evaluation of donations in accordance with Canada Revenue Agency (CRA) guidelines.

This policy will serve as the foundation for standard operating procedures for issuing official charitable donation receipts (official receipts) to donors for income tax purposes.

Scope: The policy of Gabriola Fire Protection Improvement District: all agreements between the department and individuals that contribute either financially or in-kind to the department, and programs.

Definitions:

Charitable Donations - voluntary transfers of tangible property, including cash. Donations in-kind - tangible property, other than cash, that are eligible donations.

Fair Market Value (or Valuation) - The highest dollar value that a property would bring in an open and unrestricted market, between the willing buyer and the willing seller who are acting independently of each other. The fair market value of a property does not include taxes paid; taxes are costs incurred by the purchaser.

Non-Qualifying Donations - Donations that cannot be acknowledged with official donation receipts for income tax purposes, in accordance with CRA guidelines.

Policy Guidelines:

To be eligible for an official receipt, the donation must:

- Be made payable to the Gabriola Fire Protection Improvement District
- Be in cash or in-kind
- Be voluntary
- Be supportive of Fire Department mandate or beneficial to the Gabriola Fire Protection Improvement District

Donations in-kind may be accepted only after the following has been assessed:

- Compliance with Gabriola Fire Protection Improvement District policies/bylaws
- Consistency with the Gabriola Fire Departments priorities, mandates, and strategic and long range plan
- Compliance with the laws, conventions, and treaties of the other levels of government
- Associated risks (e.g. financial risks, political risk, health and safety issues)
- Condition of the donation
- Value of the donation
- Usefulness of the donation to the Fire Department
- Cost/benefit analysis.

The Fire Chief would consider installation, storage, maintenance, renewal, replacement and relevant costs when considering the item.

Donations in-kind for official receipts should have written evaluation, done within the last 6 months, with the following requirements:

- \$1,000.00 or less:
 - Appraisal by knowledgeable internal staff; plus
 - Valuation from online auction and shopping website
- \$1,000.00 or more:
 - External appraisal by an independent and arm's length competent individual is required
 - Responsibility and costs associated with obtaining a qualified appraisal shall be the responsibility of the donor.

Authority for acceptance or denial of donations in-kind with appraised value of:

- \$0.00 - \$9,999.99 - Corporate Officer/Fire Chief
- \$10,000.00 or more - Approved by the Gabriola Fire Protection Improvement District

Non-Qualifying Donations that cannot be acknowledge with official receipts for income tax purposes in accordance with CRA guidelines:

- Intangibles such as services, time, skills and effort.