



## Fact Sheet: Donations from U.S. Donors

*Updated September 2023*

### ***How can Community Foundations of Canada (CFC) facilitate gifts from U.S. donors into Canada?***

CFC provides American donors with the opportunity to donate through Friends of Community Foundations of Canada ([FOCFC](#)), is a designated 501C3 organization based in Arizona. Its tax id (EIN) is 61-1958124.

Donations from American individuals, charities, and corporations to FOCFC will be eligible for tax receipts that can be used for American tax filings. FOCFC is only permitted to make grants to members of Community Foundations of Canada.

There are no restrictions on the size of the gift. Gifts can be added to an endowment fund or flow through granting. FOCFC can also be included as a beneficiary of a bequest or a Charitable Remainder Unitrust. Note that a USA estate gift can use a Canadian tax receipt due to cross-border treaty Permissions. Community foundations cannot use FOCFC as a soliciting resource.

At this time, we are not able to accept gifts of securities or credit card donations. Donors interested in donating to FOCFC must complete a [gift agreement form](#) wherein they can indicate to which community foundation in Canada they would like to support.

Please note that CFC staff cannot offer personal legal, financial or tax advice. We encourage donors to seek independent advice from their professional advisors.

Prior to making the gift, please contact:

Tracey Vavrek, Director Learning and Network Engagement  
Community Foundations of Canada  
Email: [tvavrek@communityfoundations.ca](mailto:tvavrek@communityfoundations.ca)



***Can FOCFC also facilitate gifts from Canada to the U.S.?***

No. At this time gifts can only be made from the U.S. to Canada.

***Who does the Donor issue payment to when making payment by cheque:***

Donors issue a cheque on their US bank account to Friends of Community Foundations of Canada and mail it as well as the gift agreement noted in the fact sheet, to our Canadian office in Ottawa.

***Once a gift agreement form is sent to CFC, what are the next steps and timelines?***

Once the agreement has been sent to CFC, CFC will confirm once the gift is received by direct deposit then the turnaround for the time would be approximately 15 business days from receipt to CFC delivering the gift to the community foundation.

If the gift is received by cheque, then CFC will wait 30 business days for the cheque to clear and then forward the gift to the community foundation.

Gifts must be received by December 1 of each year due to the forementioned to receive a tax receipt for the current year.

***What is the fee structure?***

Generally, the fee per donation is set at 0.5% of the gift amount. Each transaction will be reviewed based on the size of gift to reflect a cost-recovery model. CFC will review the fee structure on an annual basis.

***Can FOCFC actively solicit gifts from U.S. donors for CFC members?***

No.



***Can an individual Canadian community foundation directly accept gifts from U.S. citizens and provide a tax receipt? Can the charitable tax receipt we issue be used by the donor?***

Community foundations can accept gifts from American donors, but only issue Canadian tax receipts. Charitable tax receipts issued in Canada can only be to offset Canadian income. The tax receipt can only be applied if the donor has Canadian income from employment or other sources.

By contrast, the FOFCCF allows Canadian community foundations to accept donations from Americans and provide tax receipts, offsetting American income.

***What about a Canadian who wants to donate directly to a U.S. charity?***

The same rules apply. A charitable tax receipt can only be applied against income earned in the same country. There are additional considerations for Canadians giving in the U.S.

***Claiming against U.S.-sourced income***

If you have U.S.-sourced income, you can claim a gift to a U.S. registered charity. You may claim your U.S. gifts up to 75% of the net U.S.-sourced income you report on your Canadian return.

***Exemptions: Claiming against your net world income***

You may claim your gifts to U.S. charities and qualified donees if it would be allowed as a deduction under the US Internal Revenue Code and:

- you live near the border in Canada throughout the year
- commute to your principal workplace or business in the United States
- that employment or business was your main source of income for the year

OR

- Your gift is to a U.S. college or university at which you or a member of your family is or was enrolled in or to [a registered U.S. university](#).



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OF CANADA

**The Learning  
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**For more information on Friends of Community Foundations of Canada, please contact:**

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