



Gifts to Land Trusts 100% Exempt from Capital Gains Tax

In the 2006 Federal budget, the Government of Canada announced the removal of capital gains tax on donations of ecologically-sensitive lands and publicly-listed securities to Canadian charities, effective May 2, 2006. Assuming that the 2006 Budget is approved by Parliament as presented, this is great news for potential donors and for the Islands Trust Fund.

Donations of Ecologically Sensitive Lands

Under Environment Canada's Ecogift program, Canadian landowners may donate ecologically sensitive land (or easements and covenants on such land), to approved conservation organizations—such as the Islands Trust Fund—to ensure its preservation in perpetuity. Previously, an individual making an Ecogift received both a charitable donation receipt and a 75% exemption from the capital gains arising from the deemed sale of the property. To encourage more Canadians to make Ecogifts, the 2006 Federal budget has announced that Ecogifts are now 100% exempt from capital gains tax.

As part of the Ecogift process, Environment Canada certifies that the land in question is ecologically sensitive, and an expert panel certifies the value of the donation. Donations of land that do not qualify as Ecogifts continue to benefit from a 50% exemption from capital gains tax.

For a comprehensive information package and application to the Ecogifts Program visit <http://www.cws-scf.ec.gc.ca/eqp-pde/> or contact the Islands Trust Fund.

Donations of Publicly Listed Securities to Public Charities

Donations of publicly-listed securities to charitable organizations—such as the Islands Trust Fund—receive the charitable donations tax credit. In addition to this, as of May 2, 2006, such donations to public charities will now be 100% exempt from capital gains tax.

Publicly-traded securities include stocks, bonds and mutual funds that contain stocks listed on approved stock exchanges. They make excellent gifts to support conservation work such as the Islands Trust Fund's *Opportunity Fund*. They are liquid and are usually easy to value.

Additional information on how to donate publicly-listed securities is available through the Green Legacies: A Donor's Guide for British Columbia web site at <http://www.greenlegacies.ca/plannedGift3.asp>, or by contacting the Islands Trust Fund.

The Islands Trust Fund acts as a regional land trust for the Islands Trust Area. With the generous support of island communities and landowners, it has protected important natural and cultural values on 61 properties with a combined value of over \$20 million.

For more information on the different options available for conserving your land, see our web site at www.islandstrustfund.bc.ca or contact the Islands Trust Fund by calling (250) 405-5186 or writing to the Islands Trust Fund at 200-1627 Fort Street, Victoria BC V8R 1H8.