

You are here: [Home](#) » [Family Law](#) » [The Office Of The Public Guardian And Trustee](#) » charbulletTIPS FOR DONORS ON CHARITABLE GIVING

TIPS FOR DONORS ON CHARITABLE GIVING

Text size: [larger](#) | [smaller](#)

Introduction

Charities provide many beneficial services to the community in important areas like education, religion, health care and relief of poverty. To carry out their charitable work, charities often solicit donations by telephone, mail or in person. Most charitable solicitations are reputable but some are not.

Here are some tips to help you make sure your donations are used for the good work you wish to support. Remember it's your money. If in doubt say NO, until you get the information you need. A donor's best protection is to educate themselves about the charity.

Tips on Dealing with Canvassers and Telephone Solicitations

Many people who solicit funds are volunteers who donate their time to raise funds for their charity. But some canvassers or telephone solicitors work for profit-making businesses that are paid to collect money for charity. Others are not collecting for charity at all.

If you are concerned about the legitimacy of a charity, satisfy your concerns before you donate. You're not wasting the canvasser's time by asking questions. If you aren't satisfied with the answers, or still aren't comfortable giving to the charity, do not feel pressured to give.

Here are some questions you might want to ask, and some ways to check out what you are told:

- Ask if your contribution can be claimed as an income tax donation credit. If so, ask for the charity's registration number. You can check this on the Canada Revenue Agency's website or by contacting them by phone. Its contact information is listed below. Not all not-for-profit organizations are charities. A receipt for your donation is only tax deductible if an official charitable receipt is issued. Beware, some questionable organizations use a corporate number to suggest they are a registered charity. A charity registration number includes the letters "RR".
- Ask for details about the work the charity does and where it is done.
- Ask for the charity's full name and address, who sits on the Board, and how long it has been in existence.
- Ask telephone solicitors where they are calling from.
- Ask telephone solicitors to put their request in writing if that would make you feel more comfortable.
- Ask door-to-door canvassers for identification and proof that they are authorized to solicit funds for the charity. You can call the organization to make sure the person is legitimate.
- Ask if the canvasser is a volunteer or working for a commercial fundraiser. Many charities use for-profit fundraisers to conduct the fundraising campaigns. This is allowed, but it can be costly. The charity may get less than 20% of what is donated.
- Ask what percentage of the donation will go to the charity, to administration expenses and if there is one involved, to the commercial fundraiser.

How to Check What you are Told

You don't have to give your donation to the canvasser or telephone solicitor right away. You can get

information from the canvasser and check it later or you can check the charity's website.

The best way to make sure your donation is used as intended is to inform yourself. Check information given by the canvasser or telephone solicitor with the charity. Ask for written information about the charity such as brochures describing the charity's work or annual reports. Be wary of vague answers to questions and be careful if it appears that the charity is a one-person show.

You can also find out about the charity through other sources. An on-line search engine of charities registered with Canada Revenue Agency can be found at www.cra-arc.gc.ca/ebci/haip/srch/advancedsearch-eng.action from which you can obtain a charity's Public Information Return which provides some information about the charity's financial performance. You can also look up the organization on the Internet or in the phone book or check the organization with your local Better Business Bureau.

Things to Watch for

- Some organizations raise money by using names similar to the names of well-known charities. Don't be fooled by names that sound like names you have heard before.
- Not all organizations that sound like charities are charities. For example, some businesses calling to collect used clothes and furniture may be for-profit businesses.
- Never give out personal/financial information, such as your credit card number, over the telephone.
- Charitable donations should be made by a cheque payable to the charity, not in cash.
- Don't be pressured to donate immediately. Be wary if a telephone solicitor offers to pick your money up immediately. If unsure, say no.
- Don't feel pressure to donate to get a "free" gift. A gift can reduce the amount of your income tax deduction.

Charitable Giving Plan

You may want to consider making a "Charity Giving Plan" to plan your donations. The Giving Plan sets out how much you will give through the year and which charities you will give to. A Giving Plan helps make your charitable giving fit your budget. It also helps you to think about the types of charities you want to support.

If you are asked to give to a charity you are not familiar with, you can tell them you have a Giving Plan and you need information and time to determine if this is the type of charity you want to support.

If you make a Giving Plan, you might want to decide on an amount to give to charities not listed on your plan. For example, there may be fundraising campaigns at work or victims of a natural disaster who need special, and unexpected, help.

Many charities can be helped by donations of goods and services, in addition to money. Even if you cannot give money or goods to a particular charity, you might be able to donate your time or services

Selecting the Charities

There are many well run charities, so it is difficult to decide which charities to give to.

The best way to choose which charities to support is to become informed. Many people become familiar with a charity by becoming involved either as a volunteer or as a user of their services. If you believe it is a well run and useful charity, then you might consider giving money to it.

You do not need to limit your donation to an organization you are involved in. For persons who have the time, they can become familiar with a charity by using some of the tips previously mentioned in this bulletin.

Contact Information

- **Ministry of Consumer Services
Consumer Protection Branch**

(416) 326-8800 or toll-free 1-800-889-9768

www.gov.on.ca/mgs/en/ConsProt/STEL02_167784.html

Provides information on how to choose a worthwhile charity to help consumers donate wisely. Access the Consumer Lookout for information on typical scams and advice.

- **Ministry of Attorney General
Office of the Public Guardian and Trustee
Charitable Property Program**

(416) 326-1963 or toll-free 1-800-366-0335

www.attorneygeneral.jus.gov.on.ca/english/family/pgt

Investigates complaints about misuse of funds by charities and protects the public's interest on how charities raise and use their money.

- **Charities Directorate
Canada Revenue Agency**

1-800-267-2384 or <http://www.cra-arc.gc.ca/chrts-gvng/menu-eng.html>

Verifies a charity's registration number.

- **PhoneBusters**

1-888-495-8501

www.phonebusters.com

- **Better Business Bureau**

Check out charities with your local office of the Better Business Bureau. www.bbb.org/