

Alberta Sport, Recreation, Parks and Wildlife Foundation

Donation Fund Program

The Donation Fund Program has been established to enlist donors to support sport & recreation development in Alberta.



Donation Fund Program Overview

- As a Crown Corporation which supports amateur sport and recreation in Alberta, the Foundation has established the Donation Fund Program to assist partner Provincial Sport and Recreation Associations, the Alberta Sport Development Centres and Alberta Games in obtaining financial support. This program is established by the Foundation to help enlist donors to support sport and recreation development in the province of Alberta.
- The Foundation administers the Donation Fund Program as a Crown Corporation, which can provide tax-deductible receipts for unconditional contributions to amateur sport or recreation in Alberta. Donations are only eligible for tax receipts if the donor or related party does not directly or indirectly benefit from the donation in any way other than the tax benefit.
- The Foundation provides this service without charging any administration fees. The full amount of each donation goes directly to the support of sport and recreation.
- The Foundation only accepts cheque or cash.

What Donations do NOT Qualify?

- The payment of a basic fee for admission to an event or to a program.
- Payment of membership fees that convey the right to attend events, receive services or be eligible for entitlements of any kinds (free access to facilities that the general public has to pay for). Membership fees are considered as gifts if they confer no more than the right to vote at a meeting and to receive reports of the charity's activities, unless such reports are otherwise available for a fee.
- Contributions of services (i.e., time, skills, efforts). Contributions of services are not property and do not qualify.
- Payment from a business for which the business receives a material advantage such as promotion or advertising in return. For taxation purposes, the business may be able to claim the contribution as an advertising expense.
- A gift subject to a direction by the donor that the Foundation transfers the funds to a specified person, family or club. In such an instance, the donor has made a gift to the person, family or club and not to the Foundation.
- A gift subject to a direction by the donor that the Foundation give the funds to a non-qualified donee.

For more information please contact

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How to Utilize the Donation Fund Program

- To obtain a tax receipt for your donation, the following process must be followed:
 - The donor must make the cheque payable to the Alberta Sport, Recreation, Parks and Wildlife Foundation
 - The donation **must be** accompanied by the correct donation fund letter. The letter must be full completed with original signature.
 - Any donations that are submitted without meeting the requirements will be returned to the donor.

- The Foundation may issue an official tax receipt for income tax purposes if the donor has suggested that the donation be used in a particular program support by the Foundation provided that
 - no direct or indirect benefit accrues to the donor
 - no direct or indirect benefit accrues to any person related to the donor
 - the donation is unconditional and does not obligate the Foundation follow the suggestion
 - reciprocal donations (two or more unrelated individuals sponsoring each other's related persons) are not permissible

Definitions

Arm's Length

The term "at arm's length" describes a relationship where persons act independently of each other or who are not related. The term "not at arm's length" means persons acting in concert without separate interests or who are related.

Related persons are individuals who are related to each other by blood, marriage or common law partnership, or adoption. Examples of blood relatives include grandparents, parents, brothers, sisters, and children. Examples of persons related by spousal relationship include the grandparents of a spouse, the parents of a spouse, the brothers and sisters of a spouse, the spouse of a child, and the spouse of a grandchild. Generally, in determining arm's length relationships, common law partners are treated in the same way as legally married spouses. Adopted children are treated in the same way as blood-related children.

Related persons also include individuals or groups and the corporations in which they have a controlling interest. Persons related to these individuals or groups are also considered related to those corporations.

Crown Corporation

Is an entity established by an Act of government (*i.e.*, federal or provincial). A crown corporation is considered an agent of the Crown in right of Canada or of a province (*i.e.*, a qualified donee) where the Act establishing the entity expressly declares that the entity is an agent of the Crown. Where the statutory language of the legislation under which the entity was established is unclear as to whether or not the entity is an agent of the Crown, the Canada Revenue Agency requires that the entity obtain a written opinion to that effect from the appropriate Department of Justice (*i.e.*, that of a province or of the Federal Government).