

New charitable tax breaks announced in 2006 federal budget.

Capital gains tax to be removed from donations of securities and ecological gifts

If you currently own shares which have appreciated in value and wanted to donate them, in the previous budget you'd be subject to a capital gains tax. The good news is that now you can donate them directly to the Western Sky Land Trust or other land trusts and with the new budget changes announced in 2006 you will not be taxed on the gain.

In addition you will receive a tax receipt for the full amount of your gift.

Ecological Gifts

Environment Canada's Ecological Gifts Program, created in 1995, provides tax incentives to landowners wanting to protect their ecologically significant lands. Private landowners can receive a tax deduction equal to the value of their gift for donations of ecologically significant land or for setting up special property rights restrictions limiting development of the land.

While the program has helped to encourage many donations of land, it has been hampered by the fact that donors were still subject to taxation on 25 percent of the perceived capital gain associated with their donation. The 2006 budget changes remove this barrier.