

IMPORTANT TO KNOW

The Canadian government has established a clear set of guidelines for making gifts of money or other property to registered Canadian charities. Complete details are readily available through the Canada Revenue Agency.

Gifts and Income Tax

■ If you make a gift of money or other property to certain institutions (e.g. registered Canadian charity), you may be able to claim federal and provincial or territorial non-refundable tax credits when you file your return, provided that you receive an official receipt from the institution.

■ A gift in kind is a donation of property other than cash. Once you have chosen a qualified charity, and have determined that it is willing to accept your gift in kind, you or the charity must have the property appraised to determine its fair market value. Under proposed legislation,

for a gift of property made to a qualified charity, the fair market value will be deemed to be the lesser of the property's:

1. Fair market value otherwise determined (e.g. appraised value) or
2. Its cost at the time the gift was made

■ The eligible amount of your gift is based on the fair market value of the property on the date you legally transferred the ownership to the designated institution

■ If you acquire property and gift it within 3 years, the gift amount will be restricted to the cost of the property.

■ You do not have to claim, on your current year's tax return, the eligible amount of gifts/donations made in that year. You may choose to carry forward your donation and claim them for any of the next five years.



Many people make donations by credit card. If the charity has the data in its hands no later than Dec. 31, the fact that the invoice from the credit card company comes in January and might be paid over time doesn't mean that a 2008 receipt cannot be issued.

Beware of charities that promise to provide an income tax receipt for more than you donated.

PARTICIPATING VENDORS

Relief Lending Group (RLG) can introduce you to a dedicated group of vendors offering high quality pharmaceuticals. The pharmaceuticals being offered are in direct response to the needs of the charities supported.

Vendors are completely independent from RLG. Yes, they too are pleased to support our philanthropic efforts, but they are profit oriented. What motivates a vendor to work with RLG is clear; they profit from the sale of pharmaceuticals and also receive a *referral fee* from RLG. The referral fee is paid to the vendor when the buyer borrows for the purchase of pharmaceuticals from RLG.

Vendor Commitment

Provide a quality product. Vendors will only sell World Health Organization (WHO) approved medicines and/or are WHO-GMP approved factories. As a legal requirement drugs sold must have a shelf-life of at least six months. Typically, the medicines being sold will have a shelf-life of approximately 2 years or more.



Offer competitive pricing. Vendors agree to sell designated pharmaceuticals at pricing equal to or less than the established fair market value.

Provide payment options. In addition to traditional payment methods, participating vendors will also accept the RLG Credit Certificate, or approved alternatives. Since RLG backs the Credit Certificate and as such it becomes fully redeemable for cash. Therefore, vendor is certain of payment.

Offer Logistics Support. Although Canadians may possess the medicines purchased, there are costs associated with bringing them into the country. For example, excised tax and GST would apply. Therefore, in most instances the pharmaceuticals purchased, do not typically enter the country. In turn, this allows vendors to offer the medicines at or below fair market value.



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