



United Way
Peterborough & District
Change starts here.

2011 Ontario Charitable Tax Credits

Your donations help others...The tax savings help you!

The Facts

- Donations to charity are deducted directly from taxes (both federal and provincial) in the form of a credit applied directly against taxes payable.
- The provincial tax credit is calculated separately.
- Donations of equal size are treated equally regardless of personal income.
- Your **charitable tax credit** reduces the amount of federal and provincial **income tax** that you may pay each year.
- **The system rewards extra giving - the more you give, the larger your tax credit and the less income tax you pay.**

The Formula...

On charitable donations totalling \$500 for the year, the calculation is:

Federal Tax Credit (FTC) on the first	\$200.00	
calculated at 15%	30.00	(A)
on the remaining	300.00	
calculated at 29%	<u>87.00</u>	(B)
Total Federal Tax Credit (A + B)	\$117.00	(C)
Provincial Tax Credit (PTC) on the first	\$200.00	
Calculated at 5.05%	10.10	(D)
On the remaining	300.00	
Calculated at 11.16%	<u>33.48</u>	(E)
Total Provincial Tax Credit (D + E)	\$43.58	(F)
Total FTC + PTC (C + F)	\$160.58	

The amount you would deduct from your taxes payable is \$160.58.
– Your charitable donation of \$500 actually costs you \$339.42.

*the above-mentioned rates are based on taxation information obtained to date and may change without notice.