

GPC Anywhere | Gift Planning Calculator

Quick Start Guide

Introduction

Planned giving in Canada continues to grow stronger in practice and design across the country. The Canadian Association of Gift Planners (CAGP), started twenty-five years ago in 1993, regularly sells out its national conferences. Numerous institutions have started gift planning programs within the past decade, and many others want to add planned giving to their portfolios of fund-raising program offerings. Lawyers, accountants, trust officers, life insurance agents, and financial services professionals have likewise become more knowledgeable and interested in promoting philanthropy and are initiating more gifts. Donors are likely to be encouraged to consider larger gifts – both *current* and *deferred* because of certain improved tax incentives introduced in recent Federal and Provincial Budgets.

Until recently, there has been a conspicuous lack of effective marketing resources and particularly of planned gift calculation software for the Canadian market. In the United States, where phenomenal growth in planned giving has also occurred, several companies have developed programs specifically for planned giving. These programs, however, are all based on American law and are, therefore, unusable in Canada.

The **GPC Anywhere** gift planning calculator is *the* leading gift illustration software created specifically for use in Canada, based on Canadian law. It has been developed by *PhilanthroPlan*, located in Kingston, Ontario.

The calculator has been developed for online use through the internet. You will need a personal computer (PC) with an internet connection to effectively use this software. The program is updated at least once each year. We plan to continue this practice so that the program will always reflect current law, tax rates and credits, along with any improvements we are able to make in response to comments received from users.

If you are using the calculator for the first time, we welcome you as a subscriber. Your subscription fee covers the cost of program use plus upgrades and technical support for a period of one year from the purchase date. At the end of each year you may renew your subscription, which will entitle you to future updates and *complimentary* technical assistance – by email and telephone.

Note: “Technical support” means help directly related to the operation and use of the **GPC Anywhere** software. For consultation and assistance with broader planned giving concerns, call *PhilanthroPlan* in Kingston at **1.888.613.6910**.

What is GPC *Anywhere*?

GPC *Anywhere* is a browser-based software program designed to help users calculate the tax and cash flow implications of various types of gifts and to generate personalized, customized financial illustrations for presentation to prospective donors.

From any computer with an internet connection, the user is able to enter data about (a) the organization (charitable or professional practice), (b) a donor and/or client, (c) the property to be contributed, and (d) the type of gift, and then download to print a gift illustration report for review by the donor (or client) and his or her advisors.

Since all this information is automatically saved for paid subscribers, it is easy to make modifications and print revised illustrations based on additional information provided by the donor or advisors. It is also a simple matter to download and print multiple illustrations so that the donor can compare various gift plans and gift amounts.

GPC *Anywhere* computes not only the amount of the donation receipt but also the net tax savings, taking into consideration tax on capital gain (when applicable) and any allowable tax credits. Where the entire donation receipt cannot be used in the year of the gift, carryovers (or carrybacks, in the case of year of death gifts) and the resulting tax credits are displayed, considering the donor's net income and other charitable contributions.

To do these computations the calculator contains, in addition to the prototype language and the applicable formulas, the following data: federal and provincial tax rates and applicable tax credits for every province and region in Canada (updated at least once annually).

Note: Tax credit values do not include the *reduction* in provincial surtax (where applicable in the provinces of Ontario and Prince Edward Island) as it would apply to taxpayers in the highest tax bracket.

GPC *Anywhere* will be regularly updated to incorporate changes in the tax law and changes in provincial tax rates. (**Note:** Since there may sometimes be an interval between changes in tax rates and updating of the program, the user may override the program's default rates and enter more closely applicable options, pending revisions to the program. A bulletin will be mailed periodically to subscribers calling attention to changes in laws and rates that affect the program's calculations.

As you use the program you may have suggestions for improvement. Please send any such suggestions to *PhilanthroPlan*, as they will be considered when program updates are periodically undertaken.

Quick Start Guide - Six Steps to Your First Illustration

GPC Anywhere is very easy to use. Find the word **CALCULATOR** in the navigation bar at the top of the *PhilanthroPlan* **HOME** page. This will take you to the **Dashboard** tab in the calculator. You will probably want to jump in and start using it.

Follow the steps below to perform the calculations needed to prepare your first planned gift illustration:

- Create a new donor by choosing *either* the **NEW DONOR** or **CREATE NEW DONOR** icon button that appear on the screen. The **STEP 1: Donor Information** tab will appear. Enter the requested donor information here. You must enter a *First Name* and a *Last Name* for your **Primary Donor** before proceeding to **STEP 2**. All other information requested is *optional* and will depend on each donor situation. As you enter information, press the tab key to move from one field to the next (or use the mouse to click where you want to go).
- When you are finished entering the donor information on the **STEP 1** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 2: Plan Type** screen.
- Enter information regarding your donor's proposed gift type. Choose *either* the **Outright Gift** or **Life Insurance** option. **Note:** Unless the gift involves a transfer of life insurance, select **Outright Gift** here for all other gift options.
- When you are finished entering the gift type on the **STEP 2** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 3: Transfer Details** screen, where you are asked to:
 - a. Enter a Date of Transfer (today's date by default), which can be changed to a date of your preference,
 - b. For Gift Timing, indicate whether the gift is to be made during the donor's lifetime (*Lifetime Gift*) or after the donor's death (*Estate Gift*),
 - c. Select one of the following as Charity Type: *Public Charity*, *Private Foundation* or *Public Foundation* as the recipient of the gift.
 - d. Select, for Type of Property, the asset to be transferred as a gift from the drop-down list of options presented.
 - e. Enter, for Fair Market Value (FMV), an amount (*estimated* if required) that a buyer would willingly pay for this asset in an 'arm's length' market transaction.

- When you are finished entering the transfer details on the **STEP 3** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 4: Tax, Income & Contributions** screen, where you are asked to:
 - a. Select, for Province/Region, the jurisdiction where the donor resides and which the Federal and Provincial tax calculations and credits will be applied.
 - b. Accept the total **maximum** Combined Tax Credit and Combined Tax Rate for the province/region (set by default to the *highest* marginal rates for the current year in the province/region selected), **OR**
 - c. Select, Override Tax Rate, if you don't wish to use the default rates shown. Simply check the box, and then enter the rates you prefer to use. **Note:** This option may be attractive, if the donor is not subject to the highest marginal income tax rate in the year of the gift.
 - d. Enter, for Net Income Current Year, the (estimated) net annual income for the *current year* (the year in which the gift is to be made). Under Net Income Other Years, enter the (estimated) net annual income in years *other than* the current year. This figure will be used for the year *following* the year of gift transfer OR for income in the year *preceding* the year of death.
 - e. Enter, for Contributions Current Year, the total of all charitable contributions in the *current year*, **other than** the gift being illustrated. Similarly, for Contributions Other Years, enter the total of all (known) charitable contributions in years *other than* the current year. This figure will be used for the year(s) following the year of gift transfer OR for contributions made in the year *preceding* the year of death.
- When you are finished entering the Tax, Income and Contributions details on the **STEP 4** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 5: Charity & Benefits** screen, where you are asked to:
 - a. Enter, in the **Charity** section, the Formal Name of Charity (or the Charity identified by your client as the gift recipient). It is recommended that the legal name (if known) be used in this field. For the Informal Name of Charity, enter the 'short' or informal name or acronym by which the organization is publicly known. (e.g. the University of Anytown may also be known as the "U of A").
 - b. Accept, in the **Benefits to Donor** section, *generic* benefit statements that appear by default. You may accept these statements as presented, OR you may override any or all of them, amend the wording and add additional statements (in blank fields provided). You can also customize for a more personalized message for the donor or client.

- c. Accept, in the **Benefits to Charity** section, *generic* benefit statements that also appear by default. You may accept these statements as presented, OR you may override any or all of them, amend the wording and add additional statements (in blank fields provided). You can also customize for a more personalized message for the donor or client.

Note: For both sections above, certain benefits will be automatically presented for illustration purposes, customized to the gift type selected for this plan. We recommend accepting all default statements *initially*, considering amendments only after viewing a ‘first draft’ of your illustration.

- When you are finished entering the Charity & Benefits details on the **STEP 5** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 6: Preparer Information** screen, where you are asked to:
 - a. Enter, for the Full Name of Preparer, your name (and professional designations, if applicable), as you would like this information to appear on the illustration’s cover page.
 - b. Enter, for the Preparer Email, your preferred email address that will also appear on the illustration’s cover page.
 - c. Enter any or all of the remaining (*optional*) information as you wish it to appear on the illustration’s cover page.
 - d. Accept, for the Disclaimer field, the disclaimer language presented by default. This language may be amended to reflect your organization’s preferences/policies, but we recommend doing so very carefully. The disclaimer (as proposed or amended) will appear on the ASSUMPTIONS page in the illustration.
- When you are finished entering the Preparer Information details on the **STEP 6** screen, click the **Update and Continue** button to proceed. This will move you to the **STEP 7: EXPORT** screen, where you can now:
 - a. Generate your report in PDF format for immediate viewing by clicking the **Download Plan (PDF)** button on the screen. The report will be downloaded to your computer and may be opened safely for viewing. Should you wish to make any amendments to the file, simply select the **STEP** from the list of **STEPS** that appears on the left-hand side of the screen.
 - b. Make the revisions required, and then click **Update Current Step** to save the revisions to the file. To generate the revised report, select **STEP 7: Export** from the list OR the **#7 Tab** on the Dashboard. Then click the **Download Plan (PDF)** button again to generate the revised report.

- c. Choose to email the report (in PDF format) to a recipient of your choice. When you click on the **Email Plan** button, a drop-down box opens with the preparer's email presented by default. You can override, amend or add additional email addresses here. When ready, simply click the **Send** button to complete the process. A message will appear near the top of the screen advising that **Your plan has been successfully sent to the [email address(es)] entered.**
- Once the report has been downloaded to your device, you may choose to 'save' to or to 'print' the report for use. Use the options offered in **PRINT** dialogue box of the PDF software to choose the pages you wish to print. Under **PAGES TO PRINT**, choose *All, Current Page or Pages (select your choices here)*.
- **REMEMBER:** You may click on any tab at any time to change your input data on any of the screens.
- **FINALLY**, a note about security of the security of your information. *PhilanthroPlan* understands the potentially sensitive, confidential nature of the information entered into the **GPC Anywhere** calculator. We understand that it must be protected, and not made available for viewing by anyone other than a registered subscriber.

For this reason, the software has been designed to limit the ability for anyone (other than you, the user) to view *any* information entered and saved in the **GPC Anywhere** gift calculator.

As a result, PhilanthroPlan representatives are unable to offer any assistance to users about the information you might choose to retain in the system.

That's all there is to operating **GPC Anywhere**.

We wish you much success with your gift planning activity!