



## CHARITABLE TAX RECEIPTS (TUITION)

A charitable donation receipt for income tax purposes will be issued on an annual basis for the portion of tuition paid that pertains to religious instruction. The amount of this tax receipt varies from year to year and is calculated in accordance with the Canada Revenue Agency requirements.

In recent years, Pacific Christian families have benefited by receiving a charitable tax receipt equivalent to an average of 70% - 80% of the total tuition paid. This benefit may be used to reduce the amount of personal income tax paid and consequently, reduce the total cost of tuition.

**For example:**

A family with 2 children in grades 9 and 11 would pay \$11,470 in annual tuition (\$956 per month for 12 months) and receive a charitable tax receipt of approximately \$9,314.

Based on 2019 tax rates, the charitable receipt would generate a non-refundable combined federal and provincial tax credit of \$4,023. Therefore, the annual net-after-tax cost of tuition would be \$7,447, or \$621 per month. This net after-tax cost of tuition is \$335 or 35% less than the posted monthly 12 month tuition rate.

In summary, you can anticipate receiving approximately 1/3 of your tuition costs back on your annual income tax return.