

Approval Date: March 28, 2008

Parent Policy: [Museums and Collections Policy](#)

## Appraisals of Museum Objects for Charitable Receipting Purposes Procedure

<b>Office of Administrative Responsibility:</b>	Museums and Collections Services
<b>Approver:</b>	Provost and Vice-President (Academic)
<b>Scope</b>	Compliance with University procedure extends to all members of the University community.

### Overview

Donors to the University of Alberta Museums are eligible to receive receipts for income tax purposes for their donations of museum objects and **collections of museum objects**. In accordance with Canada Revenue Agency rules, the University requires that, prior to issuing a receipt for income tax purposes; the **fair market value** of the museum object(s) being donated must be established. This is achieved by obtaining independent **appraisals**. The University will not obtain an appraisal for the purpose of determining an **object's** value as a condition of a donation offer.

### Purpose

The purpose of this procedure is:

- to ensure that consistent procedures are followed for obtaining appraisals of museum objects and collections for income tax purposes, in order to facilitate compliance with legal, ethical and professional requirements and standards, and
- to ensure donor satisfaction with all transactions associated with the donation process.

## PROCEDURE

### 1. UNITS WITH REGISTERED COLLECTIONS OF MUSEUM OBJECTS

- a. Units with collections of museum objects, registered with **Museums and Collections Services** as part of the University of Alberta Museums must follow acquisition procedures as outlined in their approved **Acquisition and Management Strategy**.
- b. If a donor requests a receipt for income tax purposes, **units** must contact Museums and Collections Services to verify next steps in the process. Receipts for income tax purposes require appraisals and the number of appraisals varies depending on the estimated value of the object(s).
- c. Appraisals will not be obtained unless the donor has signed a **Donation Agreement** Form irrevocably transferring ownership of the object(s) from the donor to the University.
- d. As the cost of the appraisal is the responsibility of the unit, the unit must identify funding sources to cover this cost.
- e. If the donor requests **Cultural Property Certification**, in accordance with the Certification of Museum Objects and Collections as Cultural Property Procedure, units must contact Museums and Collections Services. Additional tax benefits may be available for donors of certified cultural property.

**2. UNITS OR INDIVIDUAL STAFF OF UNITS WITHOUT REGISTERED COLLECTIONS OF MUSEUM OBJECTS**

a. Units or individual University staff of units that do not have registered collections of museum objects receiving requests for income tax receipts from potential donors of museum objects must contact Museums and Collections Services for information and advice as per the Museums and Collections Acquisition Procedure.

**3. DONORS AND POTENTIAL DONORS**

a. Donors who wish to donate museum objects to the University of Alberta Museums should contact Museums and Collections Services or the appropriate unit with a registered collection if known.

**DEFINITIONS**

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [▲Top](#)

<b>Collection(s)</b>	Related objects and the information resources associated with them may be designated as a collection. A unit may have one or more collections of museum objects within its jurisdiction.
<b>Museum objects / Museum objects and collections</b>	<p>Museum objects and collections are rare and unique, and hence irreplaceable, or represent declining or limited resources. The museum objects and collections governed by this policy shall include, but may not be limited to:</p> <ul style="list-style-type: none"> <li>- objects acquired by University staff and students, current and past, as part of their teaching, research or curatorial activities at the University, and for which the University holds title;</li> <li>- objects acquired by the University that relate to its mission, history, and teaching and research programs, and for which the University holds title;</li> <li>- objects acquired by University staff and students, but which are the property of the Crown and are held at the University;</li> <li>- Information resources that provide documentation for an object or collection.</li> </ul> <p>Exceptions to the above include:</p> <ul style="list-style-type: none"> <li>- living material; and</li> <li>- objects that may normally require replacement after study or research.</li> </ul>
<b>Fair Market Value</b>	The price an item or service would fetch in an open market between a willing buyer and a willing seller in an arms-length transaction, where each party has full knowledge of the facts.
<b>Appraisal</b>	An estimate of the fair market value of a donation. An appraisal is generally prepared by a qualified appraiser or, in some cases, by an expert knowledgeable about the particular object in question.
<b>Object(s)</b>	An artifact or specimen. Artifacts are objects created, manufactured or produced by humans; a product of human art, craft or workmanship. A specimen is an individual or part that serves as an example of a class or whole; refers to an individual plant or animal or piece or a mineral, etc. collected and used for scientific or educational purposes.
<b>Museums and Collections</b>	The unit charged with the responsibility of ensuring that the University of

<b>Services</b>	Alberta is in compliance with this policy and associated procedures.
<b>Acquisition and Management Strategy</b>	A document required of each registered collection at the University of Alberta that describes the scope and uses of the collection, principles for acquiring museum objects, and management strategies to ensure the collection complies with University policy.
<b>Unit(s)</b>	A designation used to denote academic and non-academic Departments, Faculties, Schools, Institutes and Centres at the University of Alberta.
<b>Donation Agreement</b>	An Agreement to formally transfer, irrevocably, ownership of the object from the donor to the University.
<b>Certified /Cultural Property Certification</b>	Cultural property that has gone through the certification process and been designated, by the Canadian Cultural Property Export Review Board, as being of outstanding significance and national importance. Certification includes a determination by the Board regarding the fair market value, for income tax purposes, assigned to the object.

## **FORMS**

There are no forms for this procedure. [[▲Top](#)]

## **RELATED LINKS**

Should a link fail, please contact [uappol@ualberta.ca](mailto:uappol@ualberta.ca). [[▲Top](#)]

[Format for Appraisals](#) (University of Alberta)

[Gifts and Income Tax](#) (Canada Revenue Agency)

[Income Tax Act: Dispositions of Cultural Property to Designated Canadian Institutions](#) (Canada Revenue Agency)

[International Council of Museums Code of Ethics for Museums](#) (ICOM)