

GIVE
to your fund and receive
a tax deduction

GROW
your charitable assets

GRANT
to the causes you care about

Contribution



Deduction



Donor Advised Fund

Administration Investments



Charitable Grants



THE CANADIAN DONOR ADVISED FUND MARKET

Update 2026

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EXECUTIVE SUMMARY

Donor-Advised Funds (DAFs) are one of the fastest-growing segments of the Canadian Charitable and Philanthropic sector. This Report is our annual update on the Canadian Donor-Advised Fund market. We present the important characteristics of DAFs, their pros and cons, the current Canadian environment for the product, and a 5-year statistical summary of Canadian DAFs including Assets, Grants, Contributions, and Management Expenses.

We also discuss Community Foundations, a particular segment of Canadian DAFs that is growing in popularity. A comparison between Private Foundations and DAFs is presented. The Canadian DAF market is contrasted to similar markets in the United States, United Kingdom, and Australia. A case study is presented on the Fidelity Charitable Giving Fund, the world's largest DAF.

Principle Conclusions of the Report

Attractive Features of a Donor-Advised Fund

- DAFs can be created by individuals, community groups, or companies.
- There is a long list of assets that can be deposited into a DAF account, including cash, public securities, privately held shares, insurance policies, gifts in kind, bitcoin cryptocurrencies, and more.
- All donors to a DAF account receive a charitable tax receipt.
- DAFs are very attractive from a tax and estate planning perspective because the tax receipt on contributions is received up front and the investment growth in the account accrues tax free.
- DAFs make it easy for accountholders to run their own fundraising campaigns and events linked to their account, thereby growing their impact over time. The public can support the campaign and attend events to help grow the accountholder's charitable impact.
- DAFs are more cost-efficient and less time-consuming than creating an individual Private Foundation.
- DAFs are inter-generational which creates a Legacy of Giving for the founder.

Pros of a Donor-Advised Fund

1. DAFs are the most efficient and flexible philanthropic option for donors.
2. DAFs simplify organization and tax record-keeping of charitable donations.
3. DAFs are an excellent option for legacy planning. They exist in perpetuity with named successors.

Cons of a Donor-Advised Fund

1. There is a delay between the deposits to a DAF and the remitting of funds to charities.
2. There is the potential for a conflict of interest for the manager of the DAF regarding fees earned if there is not a proper governance structure in place.
3. There can be a lack of transparency for the accountholder.

The Canadian Market

- The Canadian DAF market (excluding Community Foundations) has grown to \$9.8 billion in 2025, translating to a Compound Annual Growth Rate of 21.1 percent over the 5 year period 2020 to 2025.
- DAFs are an attractive alternative to Private Foundations and are growing in market share. DAF Share of Total Assets (DAF plus Private Foundations), Grants, and Contributions have steadily increased over the five year period of 2019 to 2024.
- The Payout Ratio (Grants to Average Assets) for Canadian DAFs in 2025 was 12.6 percent, more than double that of Private Foundations and an increase from the 12.3 percent in 2024. This ratio is more than double the required minimum of 5 per cent mandated by the CRA.
- Our research identifies 270 Community Foundations, a large component of the Donor Advised Fund market in Canada. Their Assets, Contributions, and Grants have all grown materially over the period 2016 to 2024. However, the Community Foundation Payout Ratio is only 5.5 percent of average assets despite their stated mission to “improve the quality of life in their local communities.”
- The DAF Payout Ratio for Australia was 5.7 percent (2018), the United Kingdom was 20.4 percent (2024), and the United States was 25.2 percent (2024).
- In Canada, the market remains dominated by large DAFs. The Top 5 by Assets were 64 percent of the sector (2025), provided 57 percent of the Grants, and received 67 percent of the Contributions.
- Recent amendments to the regulation of Charities and Foundations in Canada make it easier for DAFs to fund non-registered charitable initiatives through a DAF, including scholarships, community programs, and research.
- The Canada federal government cancelled increased tax rules for the donation of publicly traded securities in 2025. This is a positive for Donor Advised Giving Funds in Canada..

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PREVIOUS RESEARCH REPORTS

June 2026: [Measuring the Impact of Canada's Charities](#)
July 2026: [The Canadian Charitable and Philanthropic Sector 2026 Update](#)

UPCOMING RESEARCH REPORTS

September 2026: Corporate Giving in Canada
October 2026: Media Relations and Marketing for Canada's Charities and Foundations



Our Vision

We will participate in a thriving Canadian philanthropic sector where the most impactful charities with the highest governance standards are celebrated and supported by donor capital.

Our Mission

The Veritas Foundation aims to be Canada's authoritative source for participating in the country's charitable sector and evaluating its effectiveness and impact.



The Veritas Foundation

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