

CONTRIBUTING TO A DONOR-ADVISED FUND

You can maximize your charitable dollars and receive tax-related benefits through a donor-advised fund.

- ▶ Contributions to donor-advised funds are tax deductible to the maximum extent allowed by law. We will issue a tax receipt for each donation to a fund.
- ▶ Contributions to funds are invested, and the growth is tax-free.
- ▶ We can accept donations of cash, publicly traded securities and complex assets, including business interests, life insurance policies and real estate.
- ▶ Cash gifts are a great place to start, but donations of appreciated assets (held longer than one year) to a donor-advised fund often provide the additional benefit of avoiding long-term capital gains tax, as shown below.

	Gift of Cash	Gift of Appreciated Stock
Fair Market Value of Gift	\$25,000	\$25,000
Charitable Deduction	\$25,000	\$25,000
Income Tax Savings	\$8,750	\$8,750
Long-Term Capital Gains Tax Avoided	n/a	\$4,600
Total Donor Tax Savings	\$8,750	\$13,350

This example includes the following assumptions:

- The donor is in the 35% federal income tax bracket.
- The cost basis of the stock is \$2,000.
- The stock has been held for more than a year.
- The tax rate on long-term capital gains is 20%.

The example does not take into account state or local taxes, alternative minimum taxes, the 3.8% net investment income tax, or limitations on itemized deductions that may be applicable.

We do not provide tax, legal or accounting advice. This is for informational purposes only.

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