Donating Appreciated Stock

Donating long-term appreciated stock directly to a donor advised fund is one of the most tax-efficient ways for donors to give, while maximizing the impact of their donation.

**BENEFITS**

- Donors can receive an income tax deduction for the full market value of the stock at the time of the donation.
- The more appreciation the securities have, the greater the tax savings will be.
- Capital gains tax on the appreciated stock are avoided.
- Donors can both invest in and grant to causes that are important to them through their charitable gift with the ImpactAssets donor advised fund.

**CASE STUDY**

An individual donates $100,000 in long-term appreciated stock with an original cost basis of $10,000:

<table>
<thead>
<tr>
<th></th>
<th>DONATES STOCK DIRECTLY TO CHARITY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VALUE OF APPRECIATED SECURITIES</strong></td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>CAPITAL GAINS TAX</strong></td>
<td>$0</td>
</tr>
<tr>
<td><strong>NET AVAILABLE TO CHARITY</strong></td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>NET TAX SAVINGS</strong></td>
<td>$37,000</td>
</tr>
</tbody>
</table>

The hypothetical example reflects a current tax-savings, assumes a 37% income tax rate and a 20% long-term capital gains rate, plus 3.8% Medicare surcharge. Deductions include up to 30% of adjusted gross income (AGI) for gifts of appreciated securities, mutual funds, real estate and other assets. If tax savings exceeds 30% of AGI, remaining deductions can be applied up to the next 5 years. Using a donor advised fund, donors would give more to charity and pay less in taxes.

**CONTACT US TO LEARN MORE**

PHONE 855.649.5980
EMAIL Outreach@impactassets.org
www.impactassets.org

The capital gains rate is presented for illustrative purposes only. Capital gains tax rates and benefits are unique to each individual. There are a number of factors to consider when assessing the tax implications of gifts to charity. Please consult with your tax specialist before making any donations.