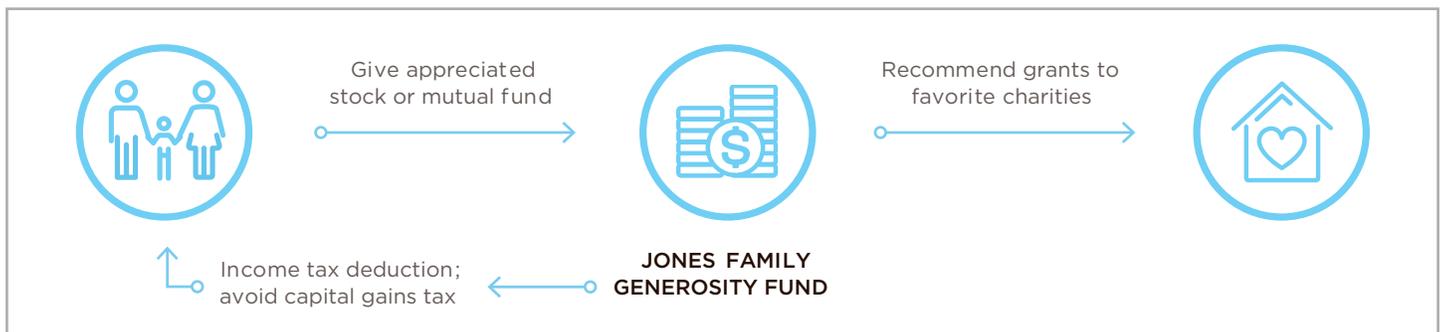


SIGNATURE **FD****HOW TO INCREASE YOUR GIVING USING STOCK VS. CASH**

1. Assumes federal tax rate of 35% and state tax rate of 6%.

2. Assumes basis in the stock is equal to 40% of the value of the gift, and federal capital gains tax rate of 20%, Medicare supplemental tax rate of 3.8%, and state tax rate of 6%.

If you have a taxable investment portfolio that has stocks or mutual funds, you more than likely have some investments that have large unrealized gains. Rather than selling these investments and paying a significant amount in capital gains taxes, these assets should be the primary way you do your giving rather than cash.

When you use appreciated assets to do your giving, it enables you to increase the amount you can give. The example below compares the net after-tax cost of giving cash versus a stock that had appreciated from \$10 per share to \$25 per share. Using stock enabled the donor to give 40% more than if they had used cash.

	\$25,000 Cash Gift	\$25,000 Stock Gift	\$35,000 Stock Gift
Income Tax Savings on Gift ¹	(\$10,250)	(\$10,250)	(\$14,350)
Capital Gains Tax Avoided If Stock Had Been Sold ²	—	(\$4,470)	(\$6,258)
Net After-Tax Cost of the Gift	\$14,750	\$10,280	\$14,392

Even if you don't have current plans to sell the appreciated investment, you can go ahead and give it now and reinvest the cash you would have given to charity back into the same investment. This simple step allows you to "reset" the original low basis of the investment to the current fair market value. When you eventually do sell the investment, your tax liability will be less because of the smaller realized gain.

When you give an appreciated investment to a donor-advised fund, not only do you save more in taxes, which can allow you to give more, but it simplifies your giving. You have one place to go online to make grants to your favorite charities, and you no longer have to deal with writing checks and keeping track of multiple receipts.

THE SIMPLICITY OF A DONOR-ADVISED FUND



GIVE

Contribute cash, mutual funds, stocks, real estate, business interests, restricted stock.



GROW

Invest your Fund to grow tax-free and have more to give away later.



GRANT

Enjoy the freedom to make grants from a single account to multiple organizations. If you want to remain anonymous, you can even do that.

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