

## SMART GIVING!

### *Think about giving appreciated stock to your church or diocese ...*

If you are considering giving a gift to your church or diocese, you may want to consider making a donation of appreciated stock or mutual fund shares rather than a cash gift.

WHY?

Charitable contributions of appreciated securities provide two potential income tax advantages.

1. The charitable deduction which is the fair market value of the security at the time of the gift
2. No taxation on the capital gain on the sale of the security, if held for one year

Here's an example:

You donate 100 shares of stock which are valued at \$50 per share on the date of the gift. Your charitable contribution is \$5,000. If you're in the 28% tax bracket, **you save \$1,400** in taxes for your charitable gift.

If you bought the stock at \$20 per share, your capital gain would be \$3,000. By donating the stock, there's no gain on which to be taxed. Again, in the 28% tax bracket, the capital gains tax is 15%, resulting in an additional **savings of \$450**.

In this case, your church or diocese receives a **\$5,000** gift which costs you just **\$3,150**.

How the Trustees for the Diocese of Western Massachusetts can help:

Since many churches do not have a brokerage or fund account to receive shares of securities, the Trustees can receive such gifts on behalf of an Episcopal parish, the diocese or other organization within our diocese and sell the shares through our broker for a modest fee. The proceeds can be sent to a church, diocese or other organization, or they can be invested with the Trustees for the benefit of a church, diocese or other organization of the diocese. Just complete a simple donation form and reference the wire instructions to make your gift.

Be sure to consult your financial and legal advisors when considering such charitable gifts.