

Tax Wise Giving: *Giving a Gift of Stock*



BOYS & GIRLS CLUBS
OF YELLOWSTONE COUNTY

Endowment Foundation

When thinking of how to support your favorite charities, we would like you to keep in mind a tax wise and cost-effective way to make those gifts - appreciated stock.

Donating appreciated stock is one of the easiest ways to give more to causes you care about. Why? Because donating stock directly to charity is one of the most tax-smart ways to give, yet it is often not well understood or widely used. Many donors have appreciated stocks, but only a few of those donors have contributed this type of asset to charity.

If you transfer stock to the Boys & Girls Clubs of Yellowstone County Endowment Foundation that has appreciated in value, and you have held for at least a year, you will receive credit for the full market value of the securities on the day you make the gift. Additionally, you are not required to pay capital gains tax on the appreciation. For example, a \$5,000 gift of stock for which you paid \$1,500 entitles you to a charitable tax deduction of \$5,000. There is no capital gains tax due on the \$3,500 appreciation when you transfer the securities to the Club. If you were to sell the securities in order to make the gift in cash, you would pay capital gains.

You can give more

By donating stock that has appreciated for more than a year, you are actually giving 20 percent more than if you sold the stock and then made a cash donation. The reason is simple: avoiding capital gains taxes. The maximum federal capital gains tax rate is 20 percent on long-term holdings.

We encourage you to seek the advice of your tax advisor when making a gift of stock to the Club.

To learn more about how to make a gift to the Club using appreciated stock, please contact Angela Slade, Vice President, Donor Engagement
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