



SMART STRATEGIES for Year-End Giving

FIVE WAYS TO BENEFIT FROM A YEAR-END GIFT TO THE IRC

The final months of the year are traditionally considered the season of giving. In addition to the gifts we give to the important people in our lives, this season of generosity is also a special time to show support for the causes we love. When you support the IRC this year, not only will people displaced by conflict and disaster benefit, but so will you.

Few things in life demonstrate your compassion and empathy more than helping refugees. When you make a gift at year-end to the IRC, not only will you lend a helping hand to those who need it, but you may also receive important tax benefits. Here is what you need to know about making charitable gifts before the year comes to a close.

EXPLORE YOUR OPTIONS

Although there may still be time to make several different types of charitable gifts, based on your unique situation and tax considerations, some gift types may be more practical than others. Following are a number of popular options.

1 **Maximizing your charitable deduction.**

Cash is an easy way to give each year. You may receive an income tax charitable deduction for the full value of the gift, up to 100% of your adjusted gross income. If you write a check for less than \$250, a copy of the check will suffice as a record of the gift. You should obtain a receipt for gifts of \$250 or more.

2 **Get more value from your IRA.**

If you are age 70½ or older, you can give any amount (up to a maximum of \$100,000) per year from your IRA directly to the IRC without having to pay income taxes on the money. This popular gift option is commonly called the IRA charitable rollover, but you may also see it referred to as a qualified charitable distribution, or QCD for short.

How you benefit:

Beginning in the year you turn 72, you can use your gift to satisfy all or part of your required minimum distribution (RMD). You pay no income taxes on the gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions. Since the gift doesn't count as income, it may reduce your annual income level. This may help lower your Medicare premiums and decrease the amount of Social Security that is subject to tax.

3 **Save taxes on appreciated stock.**

When you donate stocks to the IRC that are worth more than what you originally paid for them, you may claim deductions for their full fair market value and eliminate any tax on the appreciation.

4 **Earn income from your gift.**

Gifts such as a charitable remainder trust or a charitable gift annuity provide you, or a beneficiary of your choice, with income for life or a period of years, and refugees with life-changing aid thereafter. If you use appreciated securities to fund the gift, you may qualify for an income tax deduction based, in part, on the charitable portion of the securities' full value, in addition to eliminating up-front capital gains tax.

5 **Avoid the hassles and costs associated with selling real estate.**

Like stock, if you try to sell appreciated property, you will be subject to capital gains taxes on the appreciation. By donating the property to the IRC, you may enjoy tax savings and relieve yourself from the hassles of selling or maintaining it.



The IRC is treating children for acute malnutrition and providing other support in Yemen, where years of conflict have left millions facing a hunger crisis.

WHY TIMING MATTERS

To qualify for a tax benefit (when you itemize deductions on your income tax return), you must make your gift by Dec. 31. The gift date—the date used for tax purposes—is the day you transfer control of the asset. Here are the gift dates by type.

- **Qualified charitable distributions**—The gift date is date we receive your gift. If you have check-writing privileges on your IRA, please mail your check by Dec. 18 to allow time to process your gift.
- **Life income gifts**—The gift date depends on the type of asset used to fund the life income gift. Contact us for details.
- **Securities**—If securities are electronically transferred to us, the gift date is typically the day the securities enter our account. If securities are mailed, the mailing date is the gift date. It is important to send, by registered or certified mail, the unsigned certificates in a separate envelope from the signed stock power and letter of intent.
- **Checks**—The mailing date is the date of the gift.

The information contained herein is not intended as tax or legal advice. We recommend that you consult with a qualified attorney or tax advisor to address questions regarding your charitable gift plans. In addition, you can contact us. We can help ensure that your gift plans meet your year-end goals.

Give and Receive

Depending on the gift arrangements you choose, you can:

- Reduce your income taxes.
- Increase your spendable income.
- Reduce or eliminate capital gains tax.

Contact Us

We're here to answer any questions you might have and provide you with helpful tips about getting the most from your gift.

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GIVE WITH CONFIDENCE



Fatima embraces her mother Habiba before leaving for her accelerated learning program (ALP) session in Nigeria. During ALP sessions, children gain numeracy, literacy, social and emotional skills. ALP sessions help children who have had to drop out of school gain the skills necessary to return to mainstream education.

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