

Appreciated Stock

The benefits of gifting appreciated stock include:

1. Capital gains taxes on the stock are avoided.
2. You will be eligible to receive an income tax charitable deduction for the full fair-market-value of the stock at the time of the gift.

To qualify for these special tax advantages, the security must have been held for at least one year. A gift of stock in certificate form should be postmarked by December 31st, or your financial advisor can arrange for a year-end gift of stock from your account.

Your gift of appreciated stock is fully deductible up to 30% of your adjusted gross income. For example, if your adjusted gross income is \$100,000, up to \$30,000 of long-term appreciated stock and other capital gain property may generally be deducted, although high-income donors may be subject to a partial phase-out of itemized deductions. Any excess can generally be carried forward and deducted over as many as five subsequent years.

Take a look at the tax savings of donating securities versus a cash gift. The chart below assumes you wish to donate shares of stock worth \$10,000 that you purchased for \$2,000 several years ago, so there is an embedded \$8,000 gain. You can avoid capital gains tax on that \$8,000.

	Donate Appreciated Securities Outright	Donate \$10,000 Cash	Sell Securities and Donate Cash
Charitable Contribution	\$10,000	\$10,000	\$10,000
Ordinary Income Tax savings (assumes 35% rate)	\$3,500	\$3,500	\$3,500
Capital Gains Tax paid or saved (assumes 20% tax on \$8000 gain)	\$1600 saved	\$0	\$2,000 paid
Net Tax Savings	\$5,100	\$3,500	\$1,500

To make a gift of appreciated stock, you need to have your broker or financial advisor send the shares to the church's broker, UBS Financial. Here are the instructions:

Type: DTC-DTC Delivery

DTC: #0221

DTC Name: UBS FINANCIAL SERVICES INC. NEWPORT CENTER III

Contra Name: UNITED CHC CHRIST MEDFIELD

Contra Account: 1AR2966

Disposal Method: LOCO-LOW COST IN, FIRST OUT

Gift / Inheritance Code: G-GIFT