

### **Ways to give now**

**Cash**-A check is an easy and convenient way to support worthy causes through the Community Foundation. Donors may claim a tax deduction of up to 50% of adjusted gross income in any one year when deductions are itemized.

**Securities**-The full fair market value transferred shares is deductible, up to 30% of the client's yearly adjusted gross income. They also avoid capital gains on appreciated stock and mutual funds when we sell the shares. They may also transfer privately held stock, so long as certain requirements are met.

**Real Estate**-The Community Foundation may accept qualifying personal residences, farms, commercial buildings, and undeveloped land. Property owned for more than a year will qualify for a deduction based on the fair market value of the property and avoid payment of capital gains tax.

**Grain**-Transferring ownership of grain enables agriculture producers to give with incurring taxable income from the sale of the commodity. The cost of production may still be deducted on their tax return.

**IRA**-Now that the IRA Charitable Rollover provision is permanent, this allows individuals who are 70 ½ and older to donate up to \$100,000 each year to charitable organizations directly from their IRA, without treating the distribution as taxable income.

**Life Insurance**- This can be a way to give now or later. Clients can consider transferring ownership of an unneeded policy and it is an easy way to make a significant gift. They may deduct the cash value or ongoing premium payments.

### **Ways to give later**

**Bequests**- These are one of the easiest ways to give to the Community Foundation because clients retain complete control over the assets during their lifetime. Bequests can be a specific dollar amount, a percentage of the estate, or the residual that remains after all other bequests are made. Bequests to the Community Foundation are excluded from assets for estate tax purposes.

**Life Insurance** - The client can make the Community Foundation the beneficiary of a life insurance policy. This can either be a paid up policy or one for which the client continues to pay premiums.

**IRA and retirement plans**-Clients may designate the Community Foundation as the beneficiary of IRAs and retirement plans. These assets are some of the best to leave to charity because there is no estate tax or income tax due as the gift will qualify for a charitable deduction.

**Other options: Charitable Gift Annuities, Charitable Lead Trusts and Charitable Remainder Trust**



The Community  
Foundation of  
Shelby County