



# The Benefits of Giving Appreciated Stock

**Giving appreciated securities, including stocks or bonds, is an easy way for you to make a charitable donation with considerable potential benefits:**

- Avoid paying capital gains tax
- Receive a charitable income tax deduction for the full fair market value of the securities
- Increase your capacity to be philanthropic

## What are the benefits of giving securities?

Donating securities that have increased in value is a tax-savvy plan and helps support our community. Gifts of appreciated securities that you have held for longer than 12 months offer a two-fold tax savings:

- If you itemize your deductions, you may receive a charitable income tax deduction for the full fair market value of the securities on the date of the gift.
- You do not pay capital gains tax on the increase in the value of the securities. For example, if you were granted the securities that now have a fair market value of \$100,000, you do not pay tax on the \$100,000 gain. This is especially advantageous given the current capital gains rate.

## What is the actual benefit of contributing securities?

	Gift of securities	Sell securities, donate proceeds
Fair market value of securities	\$100,000	\$100,000
Capital gains tax paid, assuming 20% rate*	\$0	\$20,000
Charitable contribution/deduction	\$100,000	\$80,000
Total donor tax savings	\$39,600	\$11,680

**You reduce your taxes by an extra \$27,920.00 and the charity receives an additional \$20,000.00.**

*\*Please note: A different tax rate may apply to you and, accordingly, the charitable benefit you receive may vary. The illustration used is for educational purposes only. Please consult with your own legal, tax and financial advisors to determine your specific situation. The 20% capital gains tax rate applies to taxpayers earning more than \$400,000/\$450,000.*

## How does it work?

- If your broker holds your securities, instruct your broker to electronically transfer the securities to the Oshman Family Jewish Community Center. The gift is considered complete on the date the securities are transferred and received into the account of the OFJCC. To do this, contact the Chief Development Officer, Seth Leslie, at 650-223-8670 or [sleslie@paloaltojcc.org](mailto:sleslie@paloaltojcc.org)
- You may receive an income tax deduction for the full fair market value of the securities on the date the gift of securities is complete.
- The fair market value, for tax purposes, is the average of the high and low trading prices of the securities on the date the transaction is complete.
- Gifts of securities may be deductible up to 30% of your adjusted gross income. Excess deductible amounts may be carried forward for five years.

**For more information and to make your contribution, please contact Seth Leslie at [sleslie@paloaltojcc.org](mailto:sleslie@paloaltojcc.org) or (650) 223-8729. Thank you for your support!**

