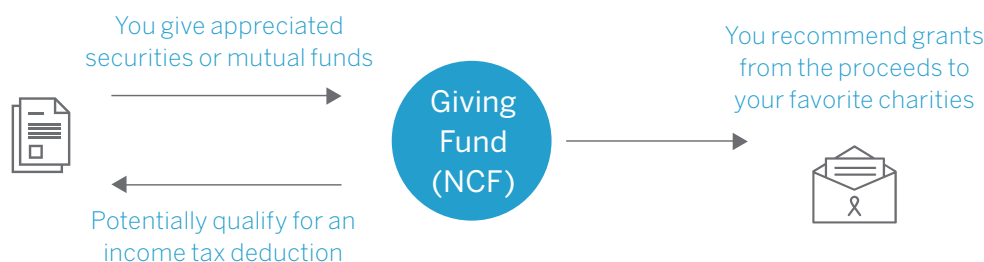


# Stock giving: A smarter way to make an impact

Send more to support your favorite causes by giving long-term, appreciated securities

If you are writing checks to charities, but also have appreciated stocks or mutual funds in a taxable investment portfolio that you've held for at least one year, you likely have a significant opportunity to pay less tax, give more, and simplify your giving. The key is to donate these securities before the sale, which means you'll likely reduce or eliminate capital gains taxes. We liquidate the securities and then put the net proceeds into your Giving Fund (donor-advised fund), which you use to recommend grants to support the causes you love.



## MULTIPLY YOUR IMPACT

- Tax efficiency – You potentially eliminate capital gains tax on the donated stock, freeing up more giving
- Reset your cost basis – Still like the stock? Use your cash to repurchase the same stock or mutual fund
- Tax-free rebalancing – Your investment advisor can rebalance your portfolio with no tax consequences

## SIMPLIFY YOUR GIVING

- Deduct now, grant later – Receive a deduction this year while granting over time, if desired
- Leverage your time – One stock gift can easily be used to support multiple charities
- Eliminate the hassle – Consolidate tax receipts under one charity (NCF)
- Manage all your giving online – Sign in to your Giving Fund on NCF's website from any device to see your fund balance, make gifts, and recommend grants to your favorite charities

**Learn more or get started today**

Visit us at [ncfgiving.com/twincities](https://ncfgiving.com/twincities) or call us at 612.288.2299

#### TRADITIONAL GIVING USING CHECKS

1. Start with \$10,000 in cash
2. Write checks to charities for \$10,000
3. Potentially qualify for a \$10,000 charitable deduction
4. Continue to pay capital gains tax in your portfolio (now or later)

#### MORE GIVING USING STOCK

1. Donate \$10,000 of stock to NCF
2. Potentially qualify for a fair market value charitable deduction of \$10,000
3. Shares are sold by NCF with no capital gains tax implications, with proceeds placed into a Giving Fund
4. Use potential tax efficiency to give more

#### SIX STEPS TO GIVING MORE BY GIVING STOCK

##### 1. **Stop writing checks to charity using post-tax dollars**

By planning your regular giving and using long-term, appreciated assets, you increase your giving capacity by trading current or future tax exposure for more charity today. If you have any appreciated assets in your investment portfolio but are still writing checks to charity, you have an opportunity to give more.

##### 2. **Send checks to your investment portfolio instead (reset your cost basis for tax-free rebalancing)**

Instead of writing checks to charity, send the cash to your investment portfolio. Then, if you still like the stock you donated, just repurchase it now, which raises your cost basis and lowers future tax exposure.

##### 3. **Set a goal and communicate it to your advisor**

Your professional advisor may not know your charitable intent, just because they're managing your portfolio. Share your regular giving goals with them, and ask them to select the best assets to donate.

##### 4. **Give your winners; sell your losers**

Direct your advisor to donate appreciated stocks, ETFs, or mutual funds held at least one year into your Giving Fund every 6-12 months (or whenever they rebalance your portfolio). This potentially eliminates capital gains taxes, resets your cost basis if you decide to repurchase the stock, and allows tax-efficient stewardship across all market cycles.

##### 5. **Receive an income tax deduction**

Because NCF is a public charity, you receive a deduction when you donate shares (up to 30% AGI).

##### 6. **Give more to your favorite charities**

Use the tax savings to give even more to your favorite charities. This also potentially reduces current-year income taxes via a larger deduction.

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