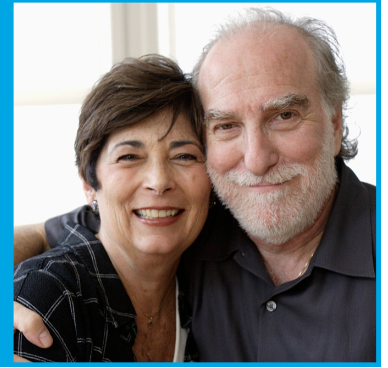




The Jewish Federation  
OF GREATER WASHINGTON

United Jewish  
Endowment Fund

# Gifts of Appreciated Assets



When you make a charitable gift, do you simply reach for your checkbook?

Donating appreciated assets instead can provide you with significant advantages.

## At A Glance

- Immediate income tax deduction for the fair market value of most assets
- Avoidance of capital gains taxes on securities held for over one year
- Gifts can be timed to match fluctuations in the capital markets

Donations of publicly traded securities are a common, tax-wise method of making charitable gifts. Securities that are highly appreciated offer the most capital gains tax savings. Most securities are easily transferred and easily valued for deduction purposes. The most common forms of securities gifts are shares of stock, bonds and mutual funds. To avoid capital gains tax, it is important to make your gift prior to selling the securities.

Suppose you have \$20,000: \$10,000 in cash and \$10,000 in stock that cost \$2,000 25 years ago. You would like to give a \$10,000 gift to charity. Your income tax rate is 30%; your long-term capital gains rate is 15%.

### Giving cash

- If you give \$10,000 in cash to charity, you will get a tax deduction of \$3,000 ( $10,000 \times 30\%$ )
- When you sell your stock, you will owe \$1,200 ( $(10,000 - 2,000) \times 15\%$ ) in capital gains tax
- Your charitable gift cost \$7,000. Your sale of stock cost \$1,200. Of your original \$20,000, you will have \$11,800 remaining for your annual expenses

### Giving appreciated stock

- If you give \$10,000 of securities with long-term gains to charity, you will get a tax deduction of \$3,000 ( $10,000 \times 30\%$ )
- You will owe no capital gains tax
- Of your original \$20,000, you will have \$13,000 remaining for your annual expenses

### Giving stock you want to keep

If you own appreciated stock you would like to keep in your portfolio, you may still give the stock to charity. You may later use cash to repurchase the stock for your portfolio at a higher basis.

# Illustration

Gifts of Appreciated Assets

# Gifts of Appreciated Assets

## How Do I Make a Gift of Securities?

How you proceed depends on how your individual securities are held. If you hold the certificates, call us for mailing instructions and a Stock Power form.

If the securities are held in a brokerage account or on book entry with a company, you will need to work with your broker and/or the company to complete the transaction. Visit [shalomdc.org/stocktransfer](http://shalomdc.org/stocktransfer) for the transfer instructions your broker will need.

---

For more information, please contact:

**Elizabeth R. Goldstein, Esq.**  
**Deputy Director, United Jewish Endowment Fund**  
[elizabeth.goldstein@shalomdc.org](mailto:elizabeth.goldstein@shalomdc.org)  
301-230-7228

**The Jewish Federation of Greater Washington**  
6101 Executive Blvd., Suite 100  
North Bethesda, MD 20852  
**PHONE** 301-230-7230 • **FAX** 301-230-7273  
**TTY** 301-230-7260  
**EMAIL** [endowment@shalomdc.org](mailto:endowment@shalomdc.org)  
**WEB** [www.shalomdc.org/endowment](http://www.shalomdc.org/endowment)

The United Jewish Endowment Fund of the Jewish Federation of Greater Washington strives to help our community provide an enriched Jewish life today and a vibrant Jewish tomorrow. The Endowment Fund connects philanthropists with opportunities to meet Jewish needs and *tikkun olam*—repairing the world. Together, we strengthen and advance Jewish life in the Greater Washington area and around the world.

The United Jewish Endowment Fund of The Jewish Federation of Greater Washington

- Generates permanent funds to support the work of our Jewish Federation family of agencies and beyond to the Greater Washington community;
- Catalyzes diverse funding sources to leverage our ability to meet Jewish needs and effect change in the broader community;
- Awards seed money to new and innovative initiatives for enriching Jewish life and for *tikkun olam*; and
- Furnishes funds for unanticipated and emergency needs locally and overseas.

The United Jewish Endowment Fund's Legacy Society recognizes those individuals who create a permanent fund of at least \$10,000 to sustain the vitality and strength of our Jewish community. If you establish a fund of \$200,000 or more, you will become a member of the national Star of David Society of the Jewish Federations of North America.

*Contributions to the United Jewish Endowment Fund are tax deductible to the full extent the law allows.*

*This material is not intended to provide professional or legal advice. Please consult your advisors for professional advice.*



The Jewish Federation  
OF GREATER WASHINGTON