WAYS TO GIVE TODAY

Assets for Outright Charitable Giving

1. IRA CHARITABLE ROLLOVER

If you are over the age of 70 1/2, you may make a qualified charitable distribution up to $108,000 in 2025 from an IRA to a charity without paying taxes on the distribution. The gift may also qualify as your required minimum distribution. This is like receiving a 100% tax deduction.

2. APPRECIATED STOCKS OR MUTUAL FUNDS

Making gifts of stocks or mutual funds that have increased in value since purchase has several benefits. First, if you have owned the property for more than one year, it can be deducted at its current market value. Second, the sale of appreciated stocks or mutual funds generates a capital gain upon which you are taxed. However, when you make a charitable gift of the stocks or mutual funds you pay no capital gains tax.

3. GRAIN

A delivery of grain to the elevator in the name of a charity allows for the avoidance of claiming the sale price as income. This is like making a tax-free gift. In addition, the cost of production may still be deducted as a business expense.

4. LIVESTOCK

Similar to a gift of grain, a gift of livestock allows a farmer to avoid claiming the sale price of the commodity as income and deduct the cost of production as a business expense. In other words, the gift can be made completely tax-free.

5. REAL ESTATE

A gift of real estate that has increased in value since you have owned it has several benefits. First, if you have owned the property for more than one year, the gift of real estate can be deducted at its current market value. Second, the sale of the appreciated real estate generates a capital gain upon which you are taxed. However, when you make a charitable gift of the real estate, you pay no capital gains tax when it is sold by the charity.

6. CLOSELY HELD STOCK

Transferring business ownership, either at retirement or as an inheritance, offers unique opportunities and benefits of charitable giving. Not only does transferring your stock bypass capital gains and provide a charitable deduction, but it also allows the corporation to buy back the stock.

7. ANNUITY

The current value of the annuity is fully tax deductible when gifted to charity. The growth in the value of the annuity will be taxed as ordinary income and may be offset by the charitable income tax deduction.

8. COLLECTIBLES (AND OTHER TANGIBLE PROPERTY)

Transferring ownership of a collection prior to the sale to a charity allows for the avoidance of paying capital gains tax on the growth in the value of the collection since it was acquired. The tax deduction is usually limited to the price originally paid for the collection.

9. U.S. SAVINGS BONDS

The current value of the bonds is fully tax deductible when gifted to charity. The growth in the value of the bonds will be taxed as ordinary income and may be offset by the charitable income tax deduction. Turn an idle asset into an income producer with a contribution to a charitable gift annuity.

10. PAID-UP LIFE INSURANCE POLICY

By naming charity the owner and beneficiary of a paid-up life insurance policy, you will be able to receive a current income tax deduction. The income tax deduction is approximately equal to the policy's cash value or the premiums paid, if less. Or, name a favorite charitable organization or community foundation as the beneficiary of the policy.

BONUS . . . CASH

A gift of cash is simple to make and immediately put to good use. Cash gifts may be deducted on your tax return for up to 60% of your adjusted gross income. Excess charitable contributions may be carried forward for up to five additional years.

FOR MORE INFORMATION CONTACT:

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Or explore our FREE tools for tax-wise charitable giving at: Nebcommfound.GiftLegacy.com

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Seeking your own legal and tax counsel in these matters is strongly encouraged.