

Consider a gift of stock to the Capital Campaign

If you own stock, our upcoming *Holy Family Parish: One in the Spirit* Capital Fund-raising Campaign is a great time to consider giving a gift of appreciated stock to the parish. Both you and our parish can benefit by a gift of appreciated stock. Giving a gift of appreciated stock is a sensible and cost effective way to support the ministry and mission of the parish through our capital campaign because not only do you save yourself from paying capital gains on an appreciated asset, but you can take a charitable deduction for the current value of the stock as well. For example, let's say **your stock was purchased at \$25 per share and is now worth \$100 per share**. You decide to **donate 25 shares to the parish**. **On average, you will save approximately \$375 in capital gains tax**, which you would have had to pay if you sold the stock. **And you have a tax deduction of approximately \$2500** as well.

In most cases, the deduction allowed for non-cash contributions to charity is equal to the current fair market value of the securities given. The deductible amount is equal to the price you paid plus any appreciation. You can use the amount of the “paper profit” as a tax deduction, even though it has never been taxed. This can dramatically reduce the cost of making a gift to the parish and help increase the amount you can afford to give. You also avoid paying capital gains tax on the increased value of the stock in most cases.

To deduct gifts of appreciated stocks, bonds or securities at their current value, you must have owned them for at least a year and a day. The gift is deductible up to 30% of your adjusted gross income in the year of the gift. Any excess may be deducted over as many as five succeeding tax years. The transfer to the parish account must occur before December 31 in order to be considered for the current tax year.

If you have stocks that have *decreased* in value, it is usually best to sell the assets and give the parish the cash. This way, you create a capital loss for income tax purposes and you are also able to deduct the amount of your charitable gift.

If you decide to give a gift of stock, talk to your financial advisor about how much you want to give and the timing of your gift. Your advisor can help you determine what stocks are best and make the transfer for you. Make sure your advisor provides you with the following information: The name of the brokerage that currently holds your stock, the account name of the stock, the account number, and the DTC number.

It's also important that you or your broker contact the parish office to make sure the campaign knows about your transfer. This is important because your name will not be included in the wire transfer and the parish will need to send you a tax receipt for your records! Please call the parish office prior to making a stock gift for current transfer information.