

How to accomplish more with your Charitable Contribution through stock donation:

The organizations you contribute to (whether religious, civic, humanitarian, cultural, or academic) can accomplish more with your financial assistance.

One way to boost your charitable contributions is to give shares of appreciated stock instead of cash. Making the contribution in this manner can potentially provide you with two income tax advantages. First, the charitable deduction amount is based on the fair market value of the stock at the time you gift it, subject to certain tax law limits. Second, you will never be taxed on the capital gain that you would have been hit with had you sold the stock.

Here is an example of how this would work. Let us assume you want to make a \$10,000 contribution to your animal shelter. You also have 200 shares of XYZ stock that is currently worth \$10,000 and you paid only \$1,000. The stock went from \$5 to \$50.

If you sell the stock, you will pay \$1,350 in tax (\$9,000 gain times a 15% long-term capital gains tax rate), leaving you \$8,650 to contribute to your animal shelter.

If you give the shares to the shelter, you get a tax deduction for the full \$10,000 (the fair market value if you itemize deductions), the shelter gets \$10,000 instead of \$8,650 and there are no capital gains taxes due. You and the charity win.

There are a few rules to remember:

You must have owned the stock for more than a year. Otherwise, you only get to deduct the basis, not the current fair market value.

The value of the contribution is the average of the high and low prices for publicly held stock on the day of transfer.

There are some limits on the deductibility of gifts of appreciated property. This limit is 30% of your adjusted gross income. Amounts that you can't use in the current year can be carried forward to be used in future years.

How to initiate this transfer:

Contact your broker and indicate you would like to make a transfer of stock to:

The Green County Humane Society
1500 6th Avenue
Monroe, WI 53566
608 325-9600

Broker Name	Prime Vest Financial
Account #	35939888
Account Name	Green County Humane Society
DTC#	0701
Contact Name	Emily Marshall Investment Executive First National Investment Services 815-624-5986 Emily.marshall@primevest.com