



Gifts of Stock



WHY WOULD I DONATE STOCKS TO MY CHURCH?

The main reason is to avoid paying taxes on shares that increase in value.

An example:

You bought a share in Company A in 2009 (during the recession) for \$10.

If you DONATE the share to the Iowa United Methodist Foundation, **designated for your church**, you pay \$0 in Capital Gains tax. The church can then sell it for \$100 and you get a substantiation letter saying you donated a share worth \$100.

Now the share is worth \$100 because the market is at near-record highs.

If you sell, you will pay Capital Gains taxes on the \$90 increase. This could be as high as 20% (or \$18). So after the \$10 you paid for it and \$18 in taxes, you are left with \$72.

Now you get a tax deduction of \$100. Depending on your tax bracket, you could save over \$30 in taxes.

You end up making a \$100 donation that only cost you \$10 and saved you over \$30 in income tax!

HOW CAN I GET STARTED?

The Foundation provides commission-free sales of your shares. We also save your church the trouble of setting up a transfer account with your brokerage.

Call us at 515-974-8927 or email us at info@iumf.org to have the stock donation form sent to you.