

This is an overview for those who may be interested in supporting the growth at Madison through non-cash gifts. On the front page, you will find examples of various non-cash gifts that you may consider. On the back of this document, you will find a brief description of how your generous non-cash gifts can be beneficial to both these efforts and your personal situation. **The information provided is for general informational purposes only and should not be construed as tax advice. One should consult with a qualified advisor to assess their specific situation and ensure compliance with applicable tax laws.**

## Qualified Charitable Distributions (QCDs)

If you are at least 70 and ½ years of age, you may give directly out of your retirement accounts such as a 401(k) or traditional IRA. When handled correctly, this gift will not be taxable to you and may also satisfy your annual required minimum distribution (RMD).

## Appreciated Stock

If you donate stocks, mutual funds, ETFs, or other securities you own outside of retirement accounts, you may receive a tax deduction for the full value of your donation while avoiding capital gains tax on the increased value since purchase.

## Donor Advised Funds

A Donor Advised Fund (DAF) is a convenient “pass-through” account that allows you to easily gift appreciated stocks, mutual funds, ETFs, or other securities. A DAF can provide flexibility to the donor while potentially maximizing tax efficiency.

## Property

Donating property can provide significant support to the growth of the church. Examples may include real estate, land, collectibles, precious metals, etc.

## Beneficiary Designations

By designating the church as a beneficiary in retirement accounts, non-retirement accounts, life insurance, and other financial instruments, one can leave a legacy and contribute to the future growth of the church.

## Trusts/Wills

There are several different ways to strategically contribute to the growth of the church through end-of-life estate planning.

**If you are interested in learning more about the process of donating non-cash assets, please indicate on the commitment card or online at [madisonchurch.org/overflowing](https://madisonchurch.org/overflowing). A member of the finance committee will reach out to provide more information.**

## Benefits Of Donating Non-Cash Assets

Donating non-cash assets can provide financial benefits to your specific situation:

- tax efficient way to give
- donate “in kind” and reduce your capital gains tax to \$0
- by donating assets, rather than selling first, gain a larger tax advantage to offset your taxable income
- receive a tax receipt for the fair market value on the day of transfer of the gift in kind

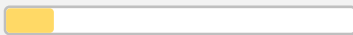
### Example Scenario:

Original Value of Assets: \$15,000

Value of Assets at Time of Selling or Donating: \$50,000

Capital Gains: \$35,000

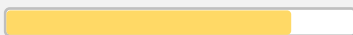
#### Tax on Capital Gains:


Sell Assets & Donate:  \$5,250

Donate Assets Directly:  \$0


#### Amount Church Receives:

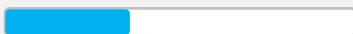
*(amount donated after capital gains tax deducted)*

Sell Assets & Donate:  \$44,750

Donate Assets Directly:  \$50,000

#### Tax Savings:

Sell Assets & Donate:  \$5,490

Donate Assets Directly:  \$12,000

*Based on federal long term capital gains tax of 15%. The tax savings shown is the tax deduction, multiplied by a donor's income tax rate of 24%, minus the long-term capital gains taxes paid. This is for illustrative purposes only. Tax rates will differ due to location and other variables. Please consult your financial advisor to confirm numbers for your situation.*