

Gifts of Appreciated Securities

Make Your Gift via Stock or Mutual Funds!*

Securities with large unrealized profits (long-term capital gains) make great gift options to the Boys & Girls Clubs of Greater Milwaukee (“BGCGM”) for the benefit of your preferred designation within the organization (the “Clubs”). The profit on your securities will escape taxation and your charitable deduction will be the full market value of your investment as long as the security has been held for more than one year. Gifts of securities may be deducted up to 30% of your adjusted gross income, with a five-year carryover for excess deductions if you itemize deductions. Remember that BGCGM must receive your gift of securities on or before December 31 for it to be deductible this calendar year.

Illustration

Here’s an example to help you decide if donating your appreciated investments is a good option for you. Let’s assume you’re in the 32% tax bracket and want to donate \$100,000 worth of stock. The table below shows that donating your stock results in no capital gains tax being paid and a larger itemized deduction for you to claim:

	Option 1: Sell your stock and donate the net proceeds	Option 2: Donate your stock directly to BGCGM for the benefit of your preferred designation within the organization
Current fair market value of stocks	\$100,000 (1,000 shares x \$100/share)	\$100,000 (1,000 shares x \$100/share)
Long-term capital gains tax paid ¹	\$14,250	\$0
Amount donated to BGCGM	\$85,750	\$100,000
Your Personal income tax savings (0.32 x amount donated) ²	\$27,440	\$32,000

¹ This analysis assumes you have a cost basis of \$5,000, that you have held your investment for more than a year, and that all realized gains are subject to a 15% long-term capital gains tax rate. It does not take into account any state or local taxes.

² This analysis assumes you are in the 32% federal income tax bracket and also does not take into account any state or local taxes.

Process

To make a gift of publicly traded stocks or mutual funds via electronic transfer, please contact Laura Mullen at (414) 267-8155 for procedures. (Please note BGCGM does not publish these delivery instructions in an effort to insure, prior to transfer, proper identification of the donor transferring the gift, verification of the name of the securities, verification of the appropriate number of shares to be received, and determination of the designation of the gift.)

For mailing physical certificates, send your certificate and stock power separately (for security purposes) to:

Boys & Girls Clubs of Greater Milwaukee
Attn: Laura Mullen
1558 N. 6th Street
Milwaukee, WI 53212

Questions?

Please reach out to Laura Mullen via Laura.Mullen@bgcmilwaukee.org. BGCGM can also supply you with stock power/stock waiver forms or a sample broker initiation letter.

**The Boys & Girls Clubs of Greater Milwaukee does not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal, or accounting advice. You should consult your own tax, legal, and accounting advisors before engaging in any transaction.*