

Giving In STOCK

If you would like to manage portfolio risk by paring down your exposure to stock, consider making a gift of stock to Singers Marin.



Savvy donors make charitable gifts of appreciated property, (not just stocks), because it benefits them economically. When you make a gift of appreciated stock:

- You get a charitable income tax deduction
- You avoid paying taxes on the capital gain

If you have held the asset for more than twelve months, you may claim a tax deduction for the fair market value (FMV), rather than the purchase price, of your securities. (The IRS says that FMV is the average of the high and low for the price of your stock on the day it is transferred to a charitable organization.)

These benefits apply to shares of mutual funds too.

EXAMPLE: How it Works

Jason W. owns shares in XYZ Company and wishes to make a donation to Singers Marin. He bought the shares in 2001 for \$4000. Today they are worth \$10,000. In Jason's tax bracket, if he sold the stock, he would pay approximately \$1600 in State and Federal taxes, netting him \$8,400 after tax. If he gives the stock to Singers Marin, he receives a charitable deduction for the full \$10,000. That deduction will reduce his taxes by about \$3,600.

The cost to the donor of making this contribution is the \$8,400 Jason would have netted from the sale of the stock, less the \$3,600 in tax savings from the charitable deduction. It would cost Jason only \$4,800 to give \$10,000 to Singers Marin!

Because Singers Marin is a qualified 501(c)3 charity, it can sell Jason's shares without paying taxes. The organization receives the full benefit of the \$10,000 contribution.

How to Transfer your Shares

To make it convenient for donors, Singers Marin has established an account with Charles Schwab & Co.

- If the securities are in your account at Schwab, call Schwab (866-855-6770) and ask them to journal the shares from your account to the Singers Marin account.

- If the securities are held at another brokerage/financial institution, call your representative to initiate the transfer.
- If the securities are in your possession, do the following in the presence of a notary or a person who can give you a signature guarantee:

On the space at the back of the certificate, between the words “appoint” and “attorney,” have all owners write Charles Schwab & Co., Inc. and sign the certificate exactly as their names appear on it.

Bring signed certificate to the nearest Schwab branch, or mail it, with a letter instructing Schwab to deposit the shares in the Singers Marin account.

Send the certificates and letter of instruction by registered, certified or overnight mail, return receipt requested.

- For mutual funds shares held directly at the mutual fund, ask your fund to initiate the transfer.

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Singers Marin Charles Schwab & Co. account information:

Account titled: Choral Singers of Marin

Account number: 1180-9905

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