

Gifts of Stock

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Stock Information e-mail: stock@gtcuw.org

Brokerage: Wells Fargo Advisors, LLC

Account Name: Greater Twin Cities United Way

Account Number: 27447302

DTC Number: 0141

Greater Twin Cities United Way Tax ID: 41-1973442

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**Greater Twin Cities
United Way**

One of the most tax-efficient ways to give!

The two key advantages:

1. Any long-term appreciated stock with unrealized gains (meaning they were purchased over a year ago, and have a current value greater than their original cost) may be donated to a public charity like Greater Twin Cities United Way and a tax deduction taken for *the full fair market value of the securities* — up to 30% of the donor's adjusted gross income.
2. Since the securities are donated rather than sold, *capital gains taxes from selling the securities no longer apply*. The more appreciation the securities have, the greater the tax savings will be.

Illustration: Cash versus Stock (assuming stock has been held for more than one year)		
	Sell stock & donate net cash to qualified charity	Donate stock to qualified charity
Fair Market Value of Stock	1,000 shares @ \$50 per share = \$50,000	1,000 shares @ \$50 per share = \$50,000
Long-Term Capital Gains Tax Paid or Avoided ¹	\$9,000 <u>paid</u>	\$9,000 <u>avoided</u>
Amount Donated to Charity (Cash or Value of Stock)	\$41,000	\$50,000
Value of Charitable Income Tax Deduction ²	\$15,170	\$18,500
Total Donor Tax Saving	\$6,170	\$27,500

¹ Assumes cost basis of \$5,000, that the stock has been held for more than one year, and that all realized gains are subject to a 20% federal long-term capital gains tax rate. Does not take into account any state or local taxes, or potential Medicare surtax resulting from net investment income.

² Assumes donor is in the 37% federal income tax bracket and does not take into account any state or local taxes.

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