



## GIVING APPRECIATED STOCK

*Reduce Your Taxes While Achieving Kingdom Impact*

If you have appreciated stock or other securities you've owned for at least a year, you can receive a double tax benefit by donating it to ministry. Not only will you receive a tax deduction for the fair market value, but you'll also avoid paying capital gains tax. This makes giving appreciated stock a much more cost effective option than giving cash.

### Benefits of Giving Stock

- Receive an income tax deduction for the fair market value
- Avoid capital gains tax
- Achieve greater Kingdom impact without reducing cash flow



### Giving Appreciated Stock



**YOUR FINANCIAL  
ADVISOR**



*Transfer Shares to  
Barnabas Foundation*



**BARNABAS**  
FOUNDATION



*Barnabas Foundation  
Liquidates Shares and  
Distributes Funds*



**YOUR FAVORITE MINISTRIES**

### Frequently Asked Questions

#### When is the best time to make a gift of stock?

The best time to make a gift is when the stock is at its high for the year. While there is no exact science to this, it's important to note the stock must be appreciated. If you want to make a gift before year end, shares must be in Barnabas Foundation's brokerage account no later than December 31.



## Gift of Appreciated Stock vs. Gift of Stock Sale Proceeds

### Example Comparison

Tom purchased shares of an up-and-coming business that he originally purchased for \$4,000. After five years, it is now worth \$20,000, a growth of \$16,000.

#### Sell & Give Proceeds to Ministry

Stock Sale Proceeds	\$20,000
*Capital Gains Tax	\$3,200
**Tax Savings	-\$4,400

**Total Cost to Give \$18,800**

\* 15% Federal and 5% State Capital Gains Tax  
\*\*22% income tax rate

#### Give Stock to Ministry

Current Value	\$20,000
Capital Gains Tax	\$0
**Tax Savings	-\$4,400

**Total Cost to Give \$15,600**

\*\*22% income tax rate

### Important Things to Consider When Gifting Stock

- The stock should be held for longer than a year
- The stock should be appreciated in value from the time of purchase
- When gifting stock through Barnabas Foundation, make sure to complete a Gifting Securities Form so we can ensure your shares are appropriately credited to your account in a timely manner
- Even if not itemizing charitable deductions on your tax return, gifting stock rather than selling reduces your taxes



### Frequently Asked Questions (cont.)

#### What should I do if my stock is worth less now than when it was purchased?

If the current value of the stock is less than what you paid for it, giving it to charity is not a good idea. You would be better served to sell the stock, recognize the loss of the sale on your income taxes, and make a cash gift to charity with the proceeds.

#### Is an outright gift the only way to make a gift of appreciated securities?

No. Stock can also be used to fund a gift that provides income for life.

## LEARN MORE

Explore how gifting appreciated assets can help you support your favorite ministries. Contact us today at [info@BarnabasFoundation.com](mailto:info@BarnabasFoundation.com).