

# 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 Lafayette Christian School. Not only will you receive a tax deduction for the fair market value of the stock, but you'll also avoid paying capital gains tax. This makes giving appreciated stock a much more cost effective option than giving cash.

### Giving Appreciated Stock



**YOUR FINANCIAL  
ADVISOR**



*Transfer Shares to  
Barnabas Foundation*



**BARNABAS  
FOUNDATION**



*Barnabas Foundation  
Liquidates Shares and  
Distributes Funds*



### 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.

### Secure Giving Through Barnabas Foundation

Lafayette Christian School partners with Barnabas Foundation for the acceptance and administration of non-cash gifts, including stock. Through Barnabas Foundation, you can give simply and securely, knowing your gifts will be liquidated efficiently and distributed to

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

### Example Comparison

Tom purchased shares of an up-and-coming business for \$4,000. They are now worth \$20,000, a growth of \$16,000.

#### Sell Stock and Give Entire Proceeds

Gift Value	\$20,000
*Taxes Tom Owes	\$3,200
**Tax Savings From Gift	-\$4,400
<b>Tom's Total Cost of Gift</b>	<b>\$18,800</b>

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

#### Give Stock Before Sale

Gift Value	\$20,000
Taxes Tom Owes	\$0
*Tax Savings From Gift	-\$4,400
<b>Tom's Total Cost of Gift</b>	<b>\$15,600</b>

\* 22% income tax rate



### 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 way to know when that will be, it's important to note that 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.

#### 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 with the proceeds.

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

No, stock and appreciated securities can also be used to fund a Stewards Fund (Barnabas Foundation's donor-advised fund), or a gift that provides income for life.

## LEARN MORE

*Explore how gifting appreciated assets can help you reduce your taxes and support Lafayette Christian School. Contact us today at [info@lafayettechristian.org](mailto:info@lafayettechristian.org).*

### 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 when purchased.
- When gifting stock through Barnabas Foundation, make sure to complete a Gifting Securities Form so they 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.