



Tax Changes Are Looming – Giving to CVIM Now Can Generate Substantial Reductions in Your Tax Bill

You may find that time spent determining the best ways to make charitable gifts that help those who need it can also help you stretch your charitable dollars. By carefully considering what you give and the timing of your gifts, you could discover you can make gifts you may not have thought possible.

Deciding what to give:

- **Cash.**

Charitable gifts are most often made in the form of cash, checks and electronic transfers. When you itemize your tax deductions, gifts of cash may be used to eliminate federal income tax on up to half of your adjusted gross income (AGI). You may enjoy state income tax savings as well.

- **Securities (Stocks, Bonds, and Mutual Funds).**

Giving securities (stocks, bonds or mutual funds) that are worth more than they cost can bring additional tax savings. Such gifts are generally deductible for income tax purposes at their full current value if they have been owned for longer than one year. They can be used to offset tax on up to 30% of your AGI. As an additional benefit, no tax is owed on capital gain that could be due in the event of a sale.

If you have investments that are now worth less than they cost, consider selling them and using the cash proceeds to make a charitable gift. This creates a loss you may be able to deduct from other taxable income as well as a deduction for the amount of the cash contribution. The combined deductions for the gift and the loss may total more than the current value of the investment.

Other ways to give

In addition to gifts of cash and securities, there are a number of other options you might wish to consider in today's environment.

- **Gifts from retirement plans.**

IRA Charitable Rollover Gifts Permanently Extended

Did you know that the IRA Charitable Transfer benefits donors aged 70 ½ and up?

The IRA Charitable Transfer is an excellent way to make gifts and receive tax benefits in return. As you plan your required minimum distributions for this year, consider using your IRA account to make the most of your charitable giving. You receive a tax benefit even if you take the standard deduction! It's important to consider your tax situation before deciding whether to make a charitable contribution from your IRA.

We will be pleased to provide more information to you and/or your financial advisors as you complete your plans. Contact Jason Arbacheski, Director of Development, Community Volunteers in Medicine at 610.836.5990, ext. 132, or e-mail: JArbacheski@cvim.org. Visit us online at: cvim.org.