

Gifting Equities (stock) to Christ United Methodist Church (11/2019)

Members of the congregation may gift shares of equities to CUMC. The member needs to work with their existing brokerage firm to send the equity to the church. The typical process is to supply a letter of instruction. Your firm probably has a form to use. Search the broker's web site using "gifting" or "gifting stock."

Such a donation can result in a double tax benefit, avoiding the Capital Gains tax and counts as an itemized charitable deduction. If you donate a security you avoid paying the capital gains tax on the increased value since purchase. If you itemize deductions, the value of the charitable donation is equal to the security's current fair market value not what you originally paid.

Reasons to donate securities:

- The security has a significant gain and you want to lower your portfolio's stock market risk without causing a tax impact.
- The security has been held a long time and you cannot easily determine the tax basis. Example: You invested in your company stock for 25 years and reinvested dividends.
- Budget or Cash flow: At this time it is preferable to donate a security instead of writing a check.

The security has to have been held for at least 12 months. It has to be in an Individual or Joint account, not a retirement account, i.e. IRA or 401(k) or 403(b).

Discuss this with your tax professional prior to making the gift so that you understand the benefits in your particular situation. Phil Woodruff or Joe Miller can answer questions.

Instructions follow.

HOW TO:

To Gift stock you have to work through your broker/financial institution. They will have a form. The information you will typically need is:

- Your information:
 - Name as it appears on the existing account registration
 - Address
 - Account number (Individual or Joint not IRA)
 - Signature(s) if Joint both have to sign.
- Identify the stock you want to donate:
 - Name of stock
 - Number of shares
 - The Symbol or CUSIP number
- The church information
Christ United Methodist Church
1020 S. Valley Forge Road
Lansdale, PA 19446
- The church brokerage information
Commonwealth Financial Network
29 Sawyer Road
Waltham, MA 02453-3483
(800)251-0800
 - NFS/CFN clearing number 0226 (DTC)
 - Account number H2Y245618

Then mail the form to your broker/financial institution. The form should have an address to send to. They will send the shares to CUMC's broker.

NOTIFY THE CHURCH OFFICE USING THE ATTACHED LETTER.

Date:

Christ United Methodist Church
Attn: Office and Financial Secretary
1020 S. Valley Forge Road
Lansdale, PA 19446

Please be advised that I/we have initiated a Gift transaction to donate to Christ United Methodist Church:

Number of shares _____

Company name) _____

Ticker _____

From Broker/Financial Institution _____

We want the proceeds to go to (check one or show percentages):

___ Mortgage

___ Church discretion

___ Operating Budget

___ Other _____

Print name _____ Sign _____ Date _____

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