



Publicly Traded United States Stocks and Bonds as Gifts: An Overview

Giving a gift to The Mother Church using appreciated securities may provide an additional tax benefit for those donors who give appreciated securities that they have owned more than one year:

- They are entitled to income tax deductions, just as with gifts of cash, for the current fair market value of their securities – not just what they paid originally.
- For outright gifts, they save again by avoiding the capital gains taxes, of 15% or 20% (plus 3.8% net investment income tax in some cases), they would have owed if they sold the securities, and for planned gifts the capital gain is spread over a certain portion of the lifetime of the gift.
- Gifts of appreciated securities to fund a Pooled Income Fund gift avoid capital gains taxes entirely.

Donors receive, in effect, a deduction based on an untaxed profit. Stock gifts are deductible up to 30% of your adjusted gross income, with a five-year carryover for any excess deductions. These dual tax savings often enable donors to increase the size of their gifts, and are available for contributions of:

- common and preferred stock
- corporate bonds
- mutual funds

Illustration of potential tax benefits from gifts of stock that has doubled in value:

Tax Bracket	25%		28%		33%		35%		39.6%	
Current Value of Stock	\$1,000	\$5,000	\$1,000	\$5,000	\$1,000	\$5,000	\$1,000	\$5,000	\$1,000	\$5,000
Income Tax Savings	\$250	\$1,250	\$280	\$1,400	\$330	\$1,650	\$350	\$1,750	\$396	\$1,980
Capital Gains Tax Avoided	75	375	75	375	94*	470*	94*	470*	119**	595**
Total Tax Savings	325	1,625	355	1,775	424	2,120	444	2,220	515	2,575



How to Proceed

If you are interested in making a gift of securities, please e-mail, call or write our office.

We are pleased to advise you:

1. Our contact information, for your broker's information, if securities are held in a brokerage account (street name)
2. The exact transfer process if you have possession of the actual stock certificates
3. The value of your securities, for deduction purposes, on the transfer date to the Church

You will need to share with us:

1. The name of the stocks, their purchase price (basis), date of purchase, CUSIP number, and your broker's contact information
2. The contact information for your mutual fund account manager, if you intend to transfer mutual fund shares. We will also need a copy of your mutual fund statement. Please note that a transfer of mutual fund shares may require significant time to process.

You can contact our office at philanthropy@csps.com, by phone at 1-800-288-7155, extension 3288, or write to us at the address below. We look forward to hearing from you.

The First Church of Christ, Scientist
Philanthropy, P05-10
210 Massachusetts Avenue
Boston, MA 02115-3195 USA