

Giving: In response to a request by a member of FBC, you now have an option to give via “stock donations”. Click [here](#) to learn more.

### **Donating stocks as an option to giving**

Giving by donating stocks may be a good idea for some as it benefits the giver and the church. If the giver donates stock that have increased in value, the giver (donor) will not have to pay capital gains tax in the future and the church won't either. Additionally, the donation is tax-deductible if the donor itemizes their taxes. This allows them to claim a tax-deduction based on the value of the stock at the time of transfer (to the church) if they have owned the stock at least one year and one day.

The donor will need a written confirmation of their contribution for their tax records - which is provided by “Stock donator”, our chosen method to facilitate this kind of giving. As you can see, there is a significant benefit for those who want to give as they choose to include stocks in their tax strategy.

### **Other considerations:**

Donate stocks owned at least one year ~ Donor obtain larger tax benefit for stocks donated after the 1-year mark. This is because stock sales are subject to capital gains taxes with different treatment based on how long the investor has held the stock. If it's been held less than a year, the tax benefits are reduced. For this reason, donors may want to avoid donating stocks held for less than a year.

Successful Stocks ~ Stocks that have appreciated significantly are great stocks to consider because if the donor has stocks that have increased in value, they will have large capital gains at the time of the sale (donation). So, these are good stocks to target as opposed to stocks that have lost value.

Publicly Traded Stocks ~ For our purposes, it's always best to donate a stock that trades on a public exchange because other stocks or assets are more complex security sales. Privately held stocks or restricted shares of public stocks are not ideal for charitable donations.

Transaction fees ~ see <https://stockdonator.com/transactionfees/>

Due to timing of donations and market volatility, the actual amount received by the charity may be more or less than what was given. Stock Donator provides a record of price of stock when donated vs the actual sales price, so this may be important if donors are trying to give an exact dollar amount, like tithe, etc.

**Frequently asked Questions:** see <https://stockdonator.com/faqs/>

Q. Which stocks should I donate? A. You should only donate stocks that have increased in value and that you've owned for at least one year. Stock sales are subject to capital gains tax and if the stock is less than one year old, the tax benefits to you are reduced. Also, if you sell a stock that has *increased* in value, you will have a larger capital gains tax burden at the time of the sale. By donating it, you can lower your tax burden. Finally, you should donate publicly traded stocks.

Q. I'm interested in hearing more about how this can help me. Can you explain a bit more? A. When you redeem a stock that has increased in value, you must pay capital gains tax on any profit you've made. This allows you to donate, what you want to *give*, while avoiding this tax. This method of giving helps you give while not impacting your cash flow.

Q. Is it easy to give this way? A. We've tried to make it very easy. Simply go to our website and look for "Connect". Under Connect you'll find "Giving" and select "Donate Stock" (or click [here](#)). The user-friendly website will walk you through the donation process.