



Donating Appreciated Non-Cash Assets

What is appreciated non-cash assets?

Appreciated non-cash assets are publicly traded securities, real estate, or private business interests—held more than one year that provide a unique opportunity to leverage your most valuable investments to achieve maximum impact (1).

Non-cash asset gift options

- Real estate
- Real estate investment trust (REIT)
- Stocks
- Bonds
- Private Equity
- Certificates of Deposit (CDs)

Why donate appreciated non-cash assets?

If you itemize deductions on your tax return instead of taking the standard deduction, donating these assets can give more impactful gifts. First, you can potentially eliminate the capital gains tax you would have if you sold the assets yourself and donated the proceeds, which could increase the amount available for charity by up to 20%. Second, you can claim a fair market value charitable deduction for the tax year in which your gift was made and pass on your savings in the form of giving (1).

Stock Gifts

- Donating appreciated stock is one of the easiest ways to give more and make a stronger impact.
- Stock gifts present a great opportunity to make a larger impact than you ever thought possible.

The Benefits of Stock Gifts

By donating stock that has appreciated for more than a year, you are giving 20 percent more than if you sold the stock and then made a cash donation. The reason is simple: avoiding capital gains taxes (2).

1. Donating Stock is one of the most tax-smart ways to give

By donating stock rather than selling it, you avoid paying a capital gains tax. A capital gains tax is a tax on the profit made from the sale of a non-inventory asset like stock (2).

2. Donors can take charitable deductions

- If you donate long-term holdings (stocks held more than one year) and itemize deductions, you can take a charitable deduction for the stock's fair market value on the day you give it away (2).
- If your stock is currently at a higher value, you can decrease future capital gains by donating stock and buying new shares (2).



3. You can give stock without changing your portfolio

- After donating stock, you are eligible to buy the same stock again within the day. This allows you to make a powerful, tax-savvy gift while maintaining your stock portfolio, no matter the market (2).

1. Schwab.com. "Benefits of Donating Appreciated Non-Cash Assets to Charity." *Schwab Brokerage*, www.schwabcharitable.org/non-cash-assets/donate-your-investments.
2. "4 Reasons to Donate Stock to Charity." *Fidelity Charitable*, www.fidelitycharitable.org/articles/4-reasons-to-donate-stock-to-charity.html.