



CREATIVE GIVING IDEAS



USING ASSETS TO FUND GIFTS

Non-cash assets represent over 90% of wealth in America today. There are many ways we can increase our giving potential by looking at our entire resource base. The following is a brief list of gifting techniques. Many can be used together to structure a personal gifting plan.

Gifts of Appreciated Assets A gift of an item or collection which has appreciated in value is one of the most common gifting strategies. The asset should, in relative terms, be “substantially appreciated” if the giver wishes to receive tax benefits as a result of the charitable gift.

Gifts of Stocks and Bonds Funding charitable giving with appreciated stocks or bonds can be very advantageous to both the donor and the organization. The donor will avoid paying any capital gains taxes while receiving a full value charitable deduction, and the organization will receive a very liquid asset. The stocks/bonds must be transferred directly to the organization.

Gifts of Real Estate An unencumbered piece of real estate that is readily sellable in the marketplace can be a wonderful gift.

Gifts of Life Insurance Some people have accumulated cash in insurance policies which they give to the organization. Donors may also give the entire policy as an outright gift.

Gift Annuity The donor funds a gift annuity with an appreciated asset and gives it to the non-profit organization; in turn the organization distributes a lifetime (or defined period) of income to the donor.

Gifts of Investment Income Various types of investments distribute interest or dividends. If a donor is not using the distribution for current income, the interest or dividends may be assigned, to the organization while the donor retains ownership of the asset.

MAKING THE MOST OF CASH GIFTS

Intentional Spending As we become more aware of our spending each week, we can choose to minimize expenses. Consider the following:

- **Starbucks Tall Latte - \$4.85**
Skip one each week for 3 years and make a pledge of \$756
- **HD TV - \$17.95/month**
Go without High Definition (you can still have cable!) for 3 years and make a pledge of \$645
- **Summer Vacation - \$3000**
Stay home 1 year and make a pledge of \$3,000
- **Lunch out - \$15.00**
Brown bag it twice a week for 3 years and make a pledge of \$4,689

Priority Budgeting This involves postponing a planned expenditure such as a new car, or vacation home, and applying the same monthly payments toward the capital campaign.

Re-Channeling a Present Expenditure Many families learn to budget their money for short-term heavy expenditures, for example while their children attend college. The same philosophy applies when budgeting money to support their non-profit organization’s vision.

Gifts of Unexpected Cash One couple decided to give an inheritance to expand their gift to a building project. Other people give income tax refunds.

Gifts from Increases in Income Many people have incremental salary increases, overtime, or bonuses which they include as part of their gift to their organization.

Gifts from Extra Work One man postponed his retirement and gave the first three years of his retirement income to the organization.