

A Smarter Way to Give:

Turn Investment Gains into Greater Good



For many donors, philanthropy and tax-smart planning go hand in hand. By donating appreciated stock directly to a qualified charitable organization, you can maximize the value of your gift while minimizing your tax liability—helping your favorite causes thrive.

Why It Works

When you donate publicly traded stock that you've held for more than one year, you can:

- ▶ **Avoid Capital Gains Tax**
You won't pay capital gains tax on the appreciation of the donated shares.
- ▶ **Claim a Charitable Deduction**
You can deduct the full fair market value of the stock at the time of the gift (subject to IRS limits).
- ▶ **Support Causes You Care About**
The not-for-profit receives the full value of your donation—funds that can be used immediately to support their mission.

Example:

If you purchased stock for \$5,000 that is now worth \$25,000, donating it directly allows you to deduct \$25,000 and potentially avoid paying capital gains on the \$20,000 gain.

Why It Matters

1 Maximize your contribution.

Donating stock directly allows you to give more to the causes you care about—without paying capital gains tax.

2 Simplify your giving.

The transfer process is straight-forward and handled between your financial institution and Clearstead.

3 Support sustainability.

Your gift can be promptly put to work, helping an organization reinvest proceeds to further its mission.

4 Give with confidence.

This tax-smart strategy benefits both you and the not-for-profit—creating a win-win for long-term impact.

How Donating Stock Could Increase Your Impact

EXAMPLE SCENARIO	Sell & Donate Cash	Donate Stock Directly
Stock Value	\$25,000	\$25,000
Original Cost Basis	\$5,000	\$5,000
Capital Gain	\$20,000	\$20,000
Capital Gains Tax (20%)	-\$4,000	\$0
Amount Donated to Charity	\$21,000	\$25,000
Charitable Deduction	\$21,000	\$25,000
Total Benefit to Charity	\$21,000	\$25,000
Tax Savings (Approx.)	Lower	Higher

This example assumes a 20% long-term capital gains rate and a stock held over one year. Consult your tax advisor for your individual situation.

Empower Your Giving.

Connect with us to learn how your gift of appreciated stock can go further—supporting the mission you care about while maximizing your tax benefits.

Disclosure: This material is for informational purposes only and should not be considered as tax or legal advice and does not consider the investment objectives or financial situation of the person receiving this information.