



# **CHARITABLE GIFT GUIDE** *for a sound investment*

## **CASH**

The simplest, most direct form of charitable gift. Amount of gift to charity\* is generally deductible in year of gift up to 60% of donor's adjusted gross income (AGI), with a 5 year excess deduction carry forward.

## **SECURITIES, LAND, OTHER CAPITAL GAIN PROPERTY**

A greater tax benefit is available for donations of appreciated securities, land or other capital gain assets held by donor for more than 1 year. The full fair market value of property is deductible up to 30% of donor's AGI. If property is held less than 1 year, it is only deductible at donor's income tax basis but up to 50% of donor's AGI. Likewise, a donor can elect to deduct only cost basis to use the 50% limit. Any excess deduction can be carried forward 5 years. Tax on the appreciation is avoided.

## **TANGIBLE PERSONAL PROPERTY**

For gifts of art, books, furniture, or stamp/coin/etc. collections, donor may deduct the full fair market value of the property (up to 30% of AGI) if use of property by charity will be related to its tax exempt purposes. If use will be unrelated to charity's tax-exempt purpose, deduction is limited to donor's income tax basis. (but up to 50% of AGI)

**EPSO**

Your gift to the El Paso Symphony Orchestra ensures the ongoing legacy of our programs and brings life changing musical experiences to our community! *See reverse side*

*Call (915) 532-3776 to talk to someone about giving today!*

# DEFERRED GIFTS

**Gift Under Will** – Donor may retain use of property during life, then leave to charity by will. Gifts may be specific (e.g., “sum of \$10,000”, or “100 shares of Exxon stock”), residuary (e.g., “all the residue of my estate”), or contingent (e.g., “if my spouse fails to survive me, all the residue of my estate to [charity]”). Gifts may be restricted or unrestricted as to use by charity.

**Life Insurance** – Donor/policy owner transfers ownership of policy to charity, and immediately deducts current value of policy, then deducts all future premium payments as made by donor.

**Gifts With Retained Life Estate; Life Income Planned Gift** – Donor deeds personal residence or farm to charity, retaining right to reside there or use for rest of donor’s life. Donor receives deduction for present value of charitable remainder interest in property, based on donor’s actuarial life expectancy.

**Charitable Remainder Trust** – Donor sets up a special trust, and transfers appreciated property to trustee. Donor designates self, spouse, or other individuals to receive lifetime or term of years income from trust. At trust termination, assets are paid to one or more charities specified by donor. Donor allowed deduction for present value of charitable remainder interest, based on fair market value of assets, income payout to donor, and age/number of individual income beneficiaries, or term of years. May be created during lifetime or via will at death.

**Charitable Lead Trust** – Income from trust paid to charity for lifetime of individual remainder beneficiaries or term of years. At termination of trust, all assets either revert to donor or are paid to individual remainder beneficiaries. Donor allowed deduction for present value of charity’s income interest.

**Charitable Gift Annuity** – Donor transfers cash or marketable securities to charity, in exchange for contractual guarantee by charity to make specified annuity payments to donor and/or another beneficiary, for life or term of years. Donor allowed charitable deduction for amount by which value of property transferred to charity exceeds value of annuity income stream received. Annuity payments can be immediate, or deferred until retirement of donor.

**\*"Charity" is The El Paso Symphony Orchestra Association or its Foundation. To talk to someone about giving call (915) 532-3776.**