

# Benefits of Donating Securities & Retirement Accounts

Donors are taking advantage of a robust stock market to give more



There are a number of financial vehicles to consider when giving. The best one for you will depend on your personal and financial situation. However, many donors are taking advantage of the robust stock market, by donating securities or designating the Foundation as the beneficiary of a retirement account.

## Donating Appreciated Stock

- You transfer stock to the Community Foundation of North Central Massachusetts. You receive an income tax deduction and, for the stock, you avoid the capital gains tax. This allows the donor to reduce the cost of their gift.

## Designating the Community Foundation the Beneficiary of a Retirement Account

- You would work with your retirement account administrator to designate the Community Foundation of North Central Massachusetts as the sole (or one of several) beneficiaries of a retirement account. You would receive an income tax deduction. Further, the entire value of the retirement account would benefit the community through the Community Foundation. If the retirement account passed to heirs, it would be taxable to them.

To learn more about donating securities, [please contact Linda Mack](#), Vice President for Development and Donor Services, 978.345.8383, ext., 321 or [lmack@cfncm.org](mailto:lmack@cfncm.org).

## Benefits of donating securities

Current federal tax law permits taxpayers who itemize to deduct the current market value of contributed stock from their adjusted gross income. By donating stock to the Community Foundation, your gift would eliminate the need to pay the capital gains tax and receive the income tax deduction, assuming a 28% tax bracket.

	Gift of Cash	Gift of Securities
Value of Gift	\$2,000	\$2,000
Income Tax Savings	(\$560)	(\$560)
Capital Gains Tax Savings	\$0	\$240
"Cost" of Gift	\$1,440	\$1,200

*This example is provided for illustrative purposes only. Please consult your personal tax advisor regarding the tax implications of your gift and share your estate planning decisions with family and appropriate loved ones.*



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There's so much more we'd like you to know about how your Community Foundation can help you achieve your charitable goals. We welcome the opportunity to work with you. Contact Linda Mack, Vice President for Development and Donor Services, 978.345.8383, ext., 321 or [lmack@cfncm.org](mailto:lmack@cfncm.org).