

Foundation Gifting

By Ron G. Sorrell

Year-end Gifts to Outrigger

Foundation: When you give long-term capital gain property to the Foundation, you can deduct the fair market value. This beats giving the equivalent in cash, because if you were to sell the appreciated property, you'd have to pay tax on the capital gain.

By making a gift to the Outrigger Foundation, you kill two birds with one stone: you escape the capital gain tax and you obtain a tax deduction.

Example: Suppose you had planned to give \$5,000 cash to the Foundation, and you also own stock with a market value of \$5,000 that you purchased for \$2,000 more than one year ago. Simply give the stock to the Foundation and take a \$5,000 tax deduction.

If your gift is "tangible personal property" such as a work of art, you can deduct only 60% of its fair market value. The donor will also be responsible to obtain an expert appraisal for tax deduction purposes.

If you have any questions on charitable donations to the Outrigger Foundation, please call Ron Sorrell at 531-0522.