

additional benefits of making all or a portion of their charitable gifts directly from an IRA. These tax-free gifts are particularly wise for those who may no longer itemize deductions for income tax purposes.

Gifts from your long-range plans

Many people arrange for charitable gifts after first providing for family and friends. We would be honored to discuss ways you can make a meaningful charitable gift in your plans. A gift through your will is one popular option. Here are some other ideas:

Retirement Accounts: You can give in the future by naming a charitable recipient as beneficiary of a retirement plan.

Insurance Policies: Some people have life insurance policies taken out years ago for a specific purpose but are no longer needed today. If you have a policy like this, you may assign all rights and benefits or name a nonprofit as beneficiary. This can be an easy way to complete a larger gift in the future.

Special Giving Options: Some plans help you structure gifts that feature special benefits for you or others before making a gift to a charitable recipient. You can arrange a fixed or variable income for yourself

or your loved ones while also benefiting a charity. Giving in this way can also serve to create a large charitable deduction that can provide current and future tax savings. For more detailed information on these and other giving options, contact us.

Your legacy

After providing for your family, arranging plans for charitable gifts can be a tremendous help to the philanthropic interests you currently assist and want to continue supporting in the future. These suggestions may allow you to maximize the impact of your giving. Please contact us if we can help you or your advisors in any way.



Giving

at Year-End 2018

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As the end of the year approaches, now may be the ideal time to review your important financial decisions. Thoughtful planning today can help balance your personal and philanthropic goals in the future.

Whether you already have financial plans in place or you are just beginning the process, it's important to think through what you want to accomplish this year and how to reach your goals. There are ways to care for your loved ones and also support your charitable interests.

Read on to discover how you can make your gifts in a more effective and tax-efficient manner.

Cash gifts are easy and welcome

Gifts of cash are popular and convenient to make because you can give these in person, online or by mail. These gifts are typically made via cash, check, credit card and sometimes by electronic funds transfer (EFT). Cash gifts must be completed before December 31 to be tax deductible for this year.

When finalizing your gifts, remember to save all your receipts and acknowledgments for tax purposes. Those who itemize can deduct cash contributions up to 60% of their Adjusted Gross Income (AGI). While few people reach this limit, the tax code allows donors to “carry forward” excess gift amounts for up to five additional years. Your charitable gifts may even help you itemize more of your other deductions such as mortgage interest and up to \$10,000 of state and local taxes.

If the standard deduction is larger than all of your other deductions in a given year, take the standard deduction. Careful timing of your gifts and other deductions may make the difference between itemizing or not.

Noncash gifts offer additional advantages

Noncash gifts to charity exceed \$50 billion each year, a significant percentage of the overall amount given from individuals. Publicly traded securities comprise the largest portion of noncash gifts.

Other assets may also be suitable gifts. Works of art, collectibles and other property can hold great value. Special IRS rules apply to these gift types. For example, for a noncash gift greater than \$5,000, a donor needs to have an independent appraisal for tax purposes. Check with your advisors for more information on arranging charitable gifts with noncash assets.

Along with regular tax savings, you may be entitled to additional tax benefits when giving appreciated securities. Making gifts of highly appreciated securities allows you to avoid the capital gains tax that would be due if the assets were sold, offering tax savings even if using the standard deduction.

If you've owned the securities for more than one year, your gift is deductible and can be used to eliminate tax on up to 30% of your AGI in the year of the gift. Any unused deduction amount may be used to help reduce taxes in as many as five future tax years. If you are considering a gift of securities, allow enough time for your gift to be completed by December 31.

Giving now through retirement plans

You may not realize you have other assets that can be used to help you meet your philanthropic goals. Many individuals have funds in a qualified retirement plan such as an Individual Retirement Account (IRA), a 401(k) or a 403(b). These may be a good choice for making current or future gifts, depending on your age and future needs.

For Those Age 70½ and Older: If you have an IRA, you can transfer up to \$100,000 per year to qualified charitable interests; \$200,000 per year for a couple that each has an IRA. These charitable IRA transfers are not taxed and count towards the annual Required Minimum Distribution. Those who qualify should carefully consider the