

Maximize your tax benefits

■ For those taxpayers who will continue to itemize, gifts of cash generally remain deductible up to 60% of AGI, though there are some new adjustments that may reduce your overall tax savings. Check with your advisor for your specific situation. Gifts of appreciated assets are generally deductible in amounts up to 30% of AGI.

■ When securities and certain other properties you have owned for more than a year are donated, you are entitled to a deduction for their full value, not just their original cost. As a result, you receive a tax deduction based on “paper profits” without having to pay capital gains tax.

■ If you own noncash assets that have decreased in value, consider selling them, thereby creating a loss for tax purposes, and then making deductible gifts of the cash proceeds.

■ Consider making larger gifts in years when you have more income. The higher your tax bracket, the greater the savings from your gifts.

■ Remember to keep your receipts and acknowledgment letters for tax purposes.

Learn more

If we can provide more information for you or your advisors to help you accomplish your philanthropic goals through a memorial gift, please contact us.



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The purpose of this publication is solely educational, namely to provide general gift, estate, financial planning and related information. It is not intended as legal, accounting or other professional advice, and you should not rely on it as such. For assistance in planning charitable gifts with tax and other implications, the services of appropriate and qualified advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Consult a tax and/or accounting specialist for advice regarding tax and accounting related matters. © Copyright MMXXVI by Sharpe Group. All Rights Reserved. MGM-26



Meaningful Giving— *Memorials*



Honoring someone through charitable gifts is an especially meaningful way of paying tribute to a loved one while influencing the world around us.

Making gifts for the benefit of others offers a wonderful way to affirm your values and priorities. Memorials allow you to thoughtfully remember family members and friends who have been such a vital part of your life.

Gifts for every occasion

Gifts made in memory or honor of family and friends at special times, such as Mother's Day or Father's Day; at the birth of a child or grandchild; or on a birthday, wedding, anniversary or other notable occasion, can be acts of love that show how much you care.

Give today

Here are some of the best ways to make your memorial gifts.

Gifts of cash: Making a gift of cash either by check, credit card or online is the most popular method of memorial giving. Cash gifts are convenient and can be tax deductible for those who itemize.

There is a new charitable deduction for cash gifts made by non-itemizers (\$1,000 for single filers and \$2,000 for married couples

filing jointly). Contributions to donor advised funds are ineligible for this deduction.

Other property: Memorial gifts, like other charitable gifts, can be made using appreciated noncash assets, such as stocks, bonds, mutual funds or even cryptocurrency, that you have owned longer than one year. You will enjoy regular tax savings, and you also receive the extra tax benefit of entirely avoiding the capital gains tax on qualified assets given for charitable use.

Give through your IRA: If you are 70½ or older, you can generally make charitable gifts (called QCDs) of up to \$111,000 from an IRA without paying tax on the withdrawal. For those over age 73, QCDs can take the place of some or all of your required minimum distribution, providing tax savings even though no charitable deduction is available.

Use your donor advised fund (DAF): Distributions from your DAF provide a way to make a gift today or in the future.

Leave a legacy: Making a gift in your long-range estate and financial plans provides a thoughtful way to make memorial gifts in honor of others. Read on for ideas.

Make future gifts

Consider the following ways to make a gift in memory of a special friend or loved one in your long-range plans.

A gift included in your will or living trust can establish a lasting legacy. You can leave:

- The residue.
- A specific amount or certain asset.
- A percentage of your estate.

A gift of retirement funds, such as 401(k)s or individual retirement accounts (IRAs), may allow you to give more while eliminating taxes that may otherwise largely deplete these assets. Retirement funds are some of the most heavily taxed when left to heirs.

A gift of life insurance may offer excellent tax benefits. Many people own policies that were purchased for the payment of estate taxes that may no longer be due. These assets make excellent memorial gifts.

Gifts that provide income can be attractive. Some plans help you structure gifts that feature special benefits for you or others before making a charitable gift. You can arrange a fixed or variable income for yourself or others while also providing for charity in the future. Giving in this way can result in a large charitable deduction that may provide both current and future tax savings.