

## CREATIVE WAYS TO GIVE

A key issue in the ministry campaign is for each of us to participate as the Lord leads. Often, we limit our participation to the obvious sources of funds (current income), but there are many creative ways to give of our treasures, time, talents and tastes to help Extend the Reach.

The following suggestions may stimulate new ideas as you process ways to participate. (Note that any discussion of tax treatment should not be considered tax advice. Please consult your personal tax professional for advice on your tax position.)

### A look at one family's commitment to increased giving

Activity	Week	Year	3 Years
Increase Weekly Giving	\$50.00	\$2,600.00	\$7,800.00
Eliminate Family Meal Out	\$50.00	\$2,600.00	\$7,800.00
Reduce Entertainment	—	\$260.00	\$780.00
Reduce Christmas Budget	—	\$250.00	\$750.00
Reduce Vacation Budget	—	\$250.00	\$750.00
Eliminate 1 Luxury (Cable, Satellite)	\$20.00	\$1,040.00	\$3,120.00
Reduce Coffee/Pop	\$5.00	\$260.00	\$780.00
Delay purchase of high-ticket item	—	—	\$2,000.00
Kids Allowance Commitment	\$2.00	\$104.00	\$312.00
<b>THREE YEAR TOTAL:</b>			<b>\$24,092.00</b>

## WHAT ARE GIFTS-IN-KIND?

- Transferring ownership of an asset, rather than selling the asset and giving the cash, is a gift-in-kind.

## WHAT KIND OF ASSETS SHOULD I GIVE?

### Gifts-in-Kind

- Appreciated investment property held more than one year, such as stocks, mutual fund shares, bonds, real estate, business interests, collectibles, and other such property may have tremendous tax advantages.

### Other Assets\*

- Gifting of personal property such as automobiles, jewelry, boats, airplanes, motorcycles, etc. when sold produce no tax benefit if given directly to the church, unless they have appreciated collectible value. (See Other Asset Strategies section.)

\*Please check with the church first to make sure these types of gifts are acceptable.

## WHY GIVE GIFTS-IN-KIND?

- Giving the asset directly to the church, which the church can then sell, may eliminate potential capital gains taxes to the donor, and may increase the after-tax proceeds available to donate to the church.

## SHOULD I SELL THE ASSET FIRST THEN DONATE THE CASH?

- You may be subject to capital gains taxes, thereby reducing the after-tax proceeds from the sale. Donating the asset itself to the church may eliminate the capital gains tax, thereby increasing the amount of the gift.

## HOW DO I GIVE GIFTS-IN-KIND?

- To make donations of any Gifts-in-Kind or Appreciated Assets, please contact the church at (916) 354-0401 for detailed instructions.

## OTHER ASSET STRATEGIES

### Sale or Gift of Other Assets or Personal Property

Donating the following kinds of assets/personal property directly to the church does not provide any tax benefits, and giving the asset directly to the church would encumber the church with the burden of selling it. Therefore, it is suggested you sell or cash in the following kind of asset first, then donate the proceeds to the church.

You may find that you do not need all of one or more of the following types of assets, which could be given to the church or sold and proceeds used as a gift:

- Car, boat, golf cart, airplane, RV, etc.
- Savings account or certificate of deposit (CD)
- Annuity or life insurance policy

## IRA CHARITY ROLLOVER

People aged 70.5 or older can transfer up to \$100,000 from their IRAs to charity tax free. These IRA rollover gifts count toward the required minimum distribution (RMD).

## CHARITABLE GIFT ANNUITIES

Charitable gift annuities provide the opportunity to make a donation to the church... and receive income from that donation for the remainder of your life. Parts of the gift and the annual income are usually tax deductible. If interested we will connect you with the Orchard Foundation who will advise and manage such donations.

## BOOST INVESTMENT PERFORMANCE

If you have low yielding funds, your financial advisor may be able to recommend a higher yielding investment to generate more funds from which to give.

## CASH FLOW STRATEGIES

\*See one family's illustration in the chart.

### Increase Frequency

A person can give significantly by giving smaller amounts at higher frequencies. Weekly, semi-monthly, or monthly giving allows large gifts to be reached in smaller steps.

### Reduce Expenses

Freeing up funds currently going to other areas of spending allows for increased giving. For example, diverting funds from entertainment, dining out, dues, subscriptions, gifts, allowances, utilities, or transportation offers lifestyle adjustments that will impact one's giving.

### Delay Expenditures

The delaying of major purchases, such as a car or trip allows for significant increased giving.

### Dedicate Income Sources

You might dedicate income from certain sources, such as interest, rental property payments, an annuity, consulting or from a particular line of business.

### Create New Income Streams

Maybe you have marketable hobbies or skills, from which you could give new profits. Alternatively, one may take a second part time job to increase income.

### Dedicate Future Receipts

Dedicating forthcoming raises, bonuses and income tax refunds is a creative method to increase giving.

### Freedom From Debt

If a current source of debt is near maturity, consider redirecting those—already allocated—funds to giving.

### Charitable Giving Resources

Reviewing all of one's charitable donations in light of their impact on the Kingdom of God affords a potential resource.