

Tax Tip



March 22, 2010

Use Donor-Advised Funds To Make Cash Charitable Donations to Public Charities

For individuals with appreciated stock that want to make various cash donations to public charities, the individual should donate the appreciated stock to a donor-advised fund and then make cash distributions from the donor-advised fund to the public charities. The individual would receive a charitable deduction for the fair market value of the stock and avoid the recognition of the capital gain.

For those individuals with capital loss carryovers, they should sell the appreciated stock first and then use the cash proceeds from the sale of securities to make their various donations to public charities.

If you have any questions please contact our Tax Services Group:

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