

Tax Advantaged Donations to Westminster Presbyterian Church

While most people think of making their donations by cash, check, or automated debits/ACH transfers from a bank account, there are **two other payment options** that **may offer you a tax advantage**.

1. Donate Stock = Tax Benefit for You

If you have owned shares in a mutual fund, ETF, or stock in a publicly traded company for more than a year that have appreciated in value, you can donate the stock directly to WPC and derive a tax benefit. You will receive a charitable contribution deduction for the fair market value of the stock at the date of the gift and you will avoid paying any capital gains tax. WPC will immediately sell the stock, and will not pay any taxes on the sale, since the church is not subject to income taxes. This maximizes the charitable gift to you and increases the value of the gift to the church.

2. Traditional or Standard IRA Funded with Pre-Tax Dollars

For those folks who are 70 ½ years of age or older, another tax advantaged strategy for donations to WPC is through a traditional or standard IRA. Typically, individuals taking distributions from a traditional IRA, including annual required minimum distributions (“RMD’s”), will pay tax on the distributions. Individuals aged 70 ½ or older may distribute up to \$100,000 a year directly from their IRA’s to a qualified charity such as WPC without including those amounts in taxable income. This is called a qualified charitable distribution (“QCD”). This strategy is especially beneficial to folks who do not itemize contributions but take the standard deduction.

An individual may also name WPC along with any other family members as a beneficiary upon the death of the owner of the standard IRA. The family and WPC will not pay any taxes on the amount of funds paid to WPC.

If you are interested in making gifts of appreciated assets to WPC, please consult your tax advisor and contact the church office at 512-459-9457 or email wpcadmin@wpcaustin.org for more information.