

ROYAL OAKS OFFICE OF PLANNED GIVING

APPRECIATED STOCK

Donating stock is a wonderful way to help the Royal Oaks Capital Improvement Fund launch campus projects or the People of Faith Foundation, Inc. with assisting residents with unforeseen financial needs. Whether your portfolio performance was above market averages or even if you had a decline in your portfolio value, donating stock to Royal Oaks is a wise method of enriching our facility.



If you have stock that you have owned for more than one year, and it has appreciated since you purchased it, you can save on the capital gains tax you would owe if you sold it yourself by donating the stock to Royal Oaks. And since Royal Oaks is a 501(c)(3) charitable organization, you will be entitled to an income tax deduction for the full current market value of your gift, to the extent allowed by law.

Example: Mrs. Bea Nice purchased 100 shares of XYZ stock seven years ago at \$50 per share or \$5,000. This stock is now worth \$100 per share, or \$10,000. If Mrs. Nice sold the stock, she would pay capital gains taxes on the \$5,000 of appreciation. If Mrs. Nice donates the stock to Royal Oaks, she is entitled to a charitable deduction of \$10,000 from her taxes and pays no capital gains tax.

If you took a loss in the stock market, you can still help Royal Oaks! By selling stock at a loss and then making a donation to Royal Oaks of the same amount of money that the stock was sold for, you can do the following:

- Claim a charitable deduction for the gift.
- Deduct the stock's decrease in value from your other income, thereby reducing the taxes you pay in April.

As always, we suggest that you consult with your independent financial, tax, or legal advisor for specific help with your particular situation, as Royal Oaks does not provide financial, tax, or legal advice.

For more information, please contact Michelle Westfall at (623) 815-4122.