

Give Appreciated Securities

Making a gift of appreciated stock is a wonderful way to benefit the mission of the Jack Trottier Foundation. Publicly traded stocks, bonds, and mutual funds, held for longer than a year, are deductible at full fair market value. It is better to give the securities in kind than to sell them, incur a gain, and give the proceeds.

Illustration:

Two gifts of \$20,000: (1) cash or (2) stock with a cost of \$4,000. The donor is in an income tax bracket of 37% and is subject to capital gains at an 18.8% rate. The gift of \$20,000 of stock reduces tax on income by \$7,000; the avoidance of a gain of \$16,000 saves another \$3,008. Thus, it can cost less than 50 cents on the dollar to make a gift of appreciated stock for those in the 37% income tax bracket.

	<u>Cash Gift</u>	<u>ABC Stock</u>
Fair Market Value	\$20,000	\$20,000
Federal Income Tax Saved @ 37% bracket	\$7,400	\$7,400
Capital Gain Tax Saved (Federal)	0	\$3,808
Total Tax Savings	\$7,400	\$11,208

Give From Your IRA

If you are over 70 ½, a direct gift from your IRA, up to \$100,000, may be the most tax-efficient way to benefit the Jack Trottier Foundation. If you have reached the age when distributions are required (currently 73), a qualified distribution to the Jack Trottier Foundation will count towards the mandatory

distribution from the IRA. While a mandatory distribution to you from your IRA would be subject to state and federal tax, if you direct it to the Jack Trottier Foundation (up to \$100,000), the distribution is not treated as income to you at all.

The distribution offsets the equivalent mandatory distribution to you and is not included in your adjusted gross income. The gift does not reduce or affect the availability of your standard deduction to shelter other income.

The Foundation has established a brokerage account at Fidelity Investments to accept gifts of stock and other securities. Our board members would be pleased to work with you and your advisors in structuring gifts in the most advantageous way. And of course, any gift of cash is most welcome and immediately impactful.

Designate the Jack Trottier Foundation to receive part or all of your IRA at death.

Individuals who are the beneficiaries of individual retirement accounts at the account holder's death are fully taxable for income tax purposes upon receipt of distributions. Because of its charitable mission, the Jack Trottier Foundation is tax-exempt and can use all of the funds received to help individuals with spinal cord injuries.

The generosity of others is the lifeblood of the Jack Trottier Foundation. WE are grateful for your support! Any and all questions can be directed to info@jacktrottierfoundation.org