

**MAXIMIZING CHARITABLE CONTRIBUTIONS**  
 "If you're going to give, might as well have the government pitch in too"  
[Benefit Calculator: Calculate the Value of My Stock Donation](#)

<b>Sample Tax Rates:</b>		<b>Sample Stock Information:</b>	
Marginal Federal Tax Rate	32.00%	Number of Shares to Donate	20
Capital Gain Rate	15.00% [1]	Current Price per Share	\$100.00
Marginal State Tax Rate	0.00% [1]	Price Paid per Share	\$100.00
Net Investment Tax	3.80%		

<b>Option 1: Donate cash</b>	<b>Option 2: Sell stock, donate net proceeds (Cash - Tax Liability)</b>	<b>Option 3: Donate Stock</b>
Decrease in Cash	Decrease in Stock	Decrease in Stock
Tax Savings from Donation	Tax Savings from Donation	Tax Savings from Donation
Elimination of Future Tax Liability*	Elimination of Future Tax Liability*	Elimination of Future Tax Liability*
<b>Change in Donor's Net Worth</b>	<b>Change in Donor's Net Worth</b>	<b>Change in Donor's Net Worth</b>
Benefit to charity:	Benefit to charity:	Benefit to charity:
Am't of donation funded by gov't	Am't of donation funded by gov't	Am't of donation funded by gov't
Am't of donation funded by donor	Am't of donation funded by donor	Am't of donation funded by donor

\* All stocks that have appreciated (current value > purchase price) have a tax liability equal to the Capital Gains (Total Value - Purchase Price) times the Capital Gains Rate + Marginal State Tax Rate + Net Investment Tax Rate

Option 3 yields the best result to the donor and keeps the benefit to the charity at a max. Now, let's consider what the donor could donate in cash while still keeping the same change in Net Worth as Option 3.

<b>Option 4: Donate cash, but with same net worth decrease as doing Option 3.</b>
Decrease in Cash
Tax Savings from Donation
Elimination of Future Tax Liability
<b>Change in Donor's Net Worth</b>
Benefit to charity:
Am't of donation funded by gov't
Am't of donation funded by donor

- Things to Remember:
- This spreadsheet only applies to stocks held outside of a retirement account.
  - The stock must be held for 1 or more years to get the deduction for its current value.
  - Never donate stock with a loss. Sell first to get a tax deduction on loss, then donate cash.
  - Max amount that can be donated is 30% of AGI (in order to donate if at current value)
  - Option 3 becomes increasingly better for those in high income tax brackets and in instances where the stock has appreciated the most.

## BENEFIT CALCULATOR

All fields with blue text can be customized for your specific situation.

Enter Your Tax Rates:		Enter your Stock Information:	
Marginal Capital Tax Rate:	32.00%	Number of Shares to Donate:	20
Capital Gain Rate:	15.00%	Current Price per Share:	\$500.00
Marginal State Tax Rate:	0.00%	Price Paid per Share:	\$500.00
State Investment Tax:	3.80%		

\*Click the blue boxes to edit your tax rates. The state income tax rate in Washington is 0%, not all states have an income tax rate. If you live in a state with a tax rate, you can enter that marginal state tax rate.

Option 1: Donate cash	Option 2: Sell stock, donate net proceeds (Cash - Tax Liability)	Option 3: Donate Stock
Decrease in Cash	Decrease in Stock	Decrease in Stock
\$-10,000.00	-\$10,000.00	-\$10,000.00
Tax Savings from Donation	Tax Savings from Donation	Tax Savings from Donation
\$3,200.00	\$2,839.04	\$3,200.00
Elimination of Future Tax Liability*	Elimination of Future Tax Liability*	Elimination of Future Tax Liability*
\$0.00	\$1,128.00	\$1,128.00
<b>Change in Donor's Net Worth</b>	<b>Change in Donor's Net Worth</b>	<b>Change in Donor's Net Worth</b>
<b>-\$6,800.00</b>	<b>-\$6,032.96</b>	<b>-\$5,672.00</b>
<b>Benefit to charity:</b>	<b>Benefit to charity:</b>	<b>Benefit to charity:</b>
<b>\$10,000.00</b>	<b>\$4,872.00</b>	<b>\$10,000.00</b>
<b>Amount of donation funded by gov't</b>	<b>Amount of donation funded by gov't</b>	<b>Amount of donation funded by gov't</b>
<b>\$3,200.00</b>	<b>\$2,839.04</b>	<b>\$4,328.00</b>
<b>Amount of donation funded by donor</b>	<b>Amount of donation funded by donor</b>	<b>Amount of donation funded by donor</b>
<b>\$6,800.00</b>	<b>\$6,032.96</b>	<b>\$5,672.00</b>

\*All stocks that have appreciated (current value>purchase price) have a tax liability equal to the Capital Gains (Total Value - Purchase Price) times the Capital Gains Rate + Marginal State Tax Rate + Net Investment Tax Rate

Option 3 yields the best result to the donor and keeps the benefit to the charity at a max. Now, let's consider what the donor could donate in cash while still keeping the same change in Net Worth as Option 3.

Option 4: Donate cash, but with same net worth decrease as doing Option 3.
Decrease in Cash
-\$9,341.18
Tax Savings from Donation
\$2,968.18
Elimination of Future Tax Liability
\$0.00
<b>Change in Donor's Net Worth</b>
<b>-\$6,372.00</b>
<b>Benefit to charity:</b>
<b>\$9,341.18</b>
<b>Amount of donation funded by gov't</b>
<b>\$2,968.18</b>
<b>Amount of donation funded by donor</b>
<b>\$6,372.00</b>

**Things to Remember:**

- The spreadsheet only applies to stocks held outside of a retirement account.
- The stock must be held for 1 or more years to get the deduction for its current value.
- Never donate stock with a loss. Sell first to gain a tax deduction on loss, then donate cash.
- Max amount that can be donated is 30% of AGI in order to donate it at current value.
- Option 3 becomes increasing better for those in high income tax brackets and in instances where the stock has appreciated the most.

[1] 0% for WA State Residents. For donors in other states (ex: grandparents), they can enter their marginal state rate.