

## DONATION OF PROPERTY

Transfer the values that are important to you by making a gift that will keep on giving. Depending on your situation, a legacy gift to REACH can help you manage your personal financial plan and extend your ability to help others. When you support REACH's work in our community by leaving a bequest in your will, acquiring an annuity, or making a gift of appreciated stock, real estate, or other assets, you are helping make the world a better place for future generations.

Giving to REACH is not only personally satisfying, the IRS (and possibly your state) also rewards you with generous tax breaks.

- Current income tax deduction if you itemize, subject to certain percentage limitations for any one year.
- Tax benefit received reduces the cost of the donation (i.e. a \$100 donation from a donor in a 30% tax bracket has a net cost of \$70).
- Reduces or eliminates capital gains tax if appreciated property is given.
- No transfer (gift and estate) taxes imposed.
- Removes any future appreciation of the donated property from your taxable estate.

### Types of Property

*Highly appreciated or rapidly appreciating property, such as:*

- Intangible personal and real property (i.e. stock or real estate)
- Tangible personal property (i.e. art, jewelry)

*Cash*

- Easy to give-the type of donation most charities like best
- Be sure to obtain a receipt from REACH or keep a bank record, regardless of the amount.

*Income producing property, such as:*

- Artwork (if given by the artist)
- Inventory
- Section 306 stock (stock acquired in a nontaxable corporate transaction)

*Tangible personal property, such as:*

- Cars, vehicles
- Jewelry
- Paintings

*Remainder interests in property*

- Let's you use the property, or income from the property, until a later date. Gift and real estate tax deductions are not allowed unless a trust is used. You may only take the income tax deduction in the year that the gift is actually conveyed.

You may need to have certain types of property appraised.