**Church of the Savior - Capital Campaign**

**“Let Love Shine!”**

**“The true light is already shining.”**

For 50 years, Church of the Savior has been a shining light for Progressive Christianity in East Tennessee. Now we are committed to Light the Way for the next generation with the COS Capital Campaign.

**“Let Love Shine” - How You Can Support Our COS Capital Campaign.**

1. **Contributions and Pledges:**

We rejoice with everyone and cherish the depth and breadth of Church of the Savior members, friends and family. Every contribution and pledge will help COS “Let Love Shine.” Prayerfully consider your pledge based on your personal or family financial situation. Contribute as one amount or pledge your contribution over three years. Always indicate COS Capital Campaign on your check or contribution.

**SOME OTHER OPTIONS:**

**IMPORTANT! These are general guidelines. With these and every major financial decision, always consult a trusted financial advisor for guidance.**

1. **Qualified Charitable Distribution from your IRA**

* You have reached the age of 70 ½ and are eligible to make a Qualified Charitable Distribution (QCD) from your IRA. Celebrate! Then consider making a contribution **directly** to Church of the Savior and potentially reduce your taxable income. (NOTE: Applies to standard IRA, not 401k or 403b) If you want to use 401k or 403b money for a QCD, you must roll some of it to an IRA first.
* If you are 72, and must take a Required Minimum Distribution from your IRA, consider taking a Qualified Charitable Distribution first and contribute **directly** to COS.
* You can do a maximum of $100,000 in QCDs each year, but that is a total for all the charities, not per charity. Although you could contribute $100,000 to just one.
* A QCD check must clear before 12/31 of each year. Because of that it is always better to do them earlier in the year.

1. **Highly Appreciated Assets**

**Stocks & Bonds** **& Mutual Funds** – If you have stocks, bonds, mutual funds that have appreciated, consider donating them **directly** to the COS Capital Campaign to avoid paying capital gains tax on the increased value.

Do NOT SELL them first. If you donate them directly to COS you may take the full charitable deduction for the amount you contributed.

COS has established a TD Ameritrade account to receive contributions of stocks and bonds.

***\*\*\*PLEASE REMEMBER: These are general guidelines: Every decision should be made with the guidance of a trusted financial advisor.***

1. **Real Estate:**

You have a building or other property you no longer want or need, and plan to sell it, consider contributing some or all of the proceeds to COS. While COS is not able to manage the sale of real estate, consider working with a Donor Advised Fund which may be able to assist you and provide important tax advantages. Review this option with a trusted financial advisor to be aware of your capital gains and other tax responsibilities.

1. **Donor Advised Funds:**

Donor Advised Funds allow donors to make a large charitable contribution and receive the full tax benefit the first year. Donors may then allocate their funds to charitable causes over subsequent years. Some Donor Advised Funds may also accept real estate. (The East Tennessee Foundation is just one of many such organizations.)

**“LET LOVE SHINE” - QUESTIONS & ANSWERS:**

**Q&A on Donating Appreciated Investments and IRA Required Distributions**

**Should I sell my appreciated investments and donate cash, or donate the appreciated investments to the church directly?**

From a tax point of view, it is better to donate the investments directly to the church, rather than selling them first. This avoids the capital gains tax you would pay if you sell them yourself. Since the church is a non-profit organization, it avoids the capital gains tax.

**If I donate investments, how much of a tax deduction do I receive?**

You’ll receive a tax deduction for the fair value of the shares on the date of transfer. The fair value for stocks is calculated using the average of the high and low share price on the date of transfer. The fair value for mutual funds is the closing price on the date of transfer.

The church will provide you a letter documenting the date of transfer and number of shares received.

For appreciated property, the amount of charitable deduction is limited to 30% of your adjusted gross income. If your gift exceeds that amount, the charitable deduction is carried forward on future tax returns until it is used up, or five years, whichever is shorter.

**How do I donate appreciated investments to the church?**

A church brokerage account established at TD Ameritrade can accept individual stocks, bonds, mutual funds, Exchange Traded Funds, (ETF’s,) and any other investments traded in the financial markets.

You will instruct your current custodian to **transfer the shares in kind** (**do NOT sell**) to:

TD Ameritrade

DTC #0188

Account #944883757

Church of the Savior United Church of Christ

Contact Person: Maryanne Cunningham

You will also provide written instructions to Maryanne Cunningham that you would like your gift to be used for the COS Capital Campaign.

**Qualified Charitable Distribution Rules for Required Minimum Distributions**

**I’m required to take an IRA required distribution each year, but I don’t really need the income. Can I receive a tax deduction for donating it to the church?**

Yes, there are unique Qualified Charitable Distribution Rules (QCD) that allow you to reduce the taxable income of the Required Minimum Distribution (RMD) by the amount that you give directly to a charity, *even if you don’t itemize*.

Importantly, you CANNOT take possession of the RMD first. It must move straight from your IRA account to the church. Your IRA custodian will have a form for you to request a check be disbursed directly to the church. It can be for some part, or all of your RMD. In fact, the QCD rules allow up to $100,000 per year be transferred tax-free from your IRA to any 501c3 non-profit.

**How is the QCD reported on my tax return?**

It is shown as a tax-free distribution from IRA income. Importantly, note that your IRA custodian will not reflect the QCD on your 1099 tax reporting document. You have to tell your tax return preparer about the QCD transaction so they can properly reflect it on your return.

If you are taking a standard deduction, this is a great way to receive the benefit of BOTH the standard deduction and an additional charitable deduction, since the QCD directly reduces the IRA taxable income.

You can do a maximum of $100,000 in QCDs each year, but that is total for all the charities, not per charity. Although it could be $100,000 to just one charity.

### Questions or need more information? Contact: Yvonne Marsh [marsh@marshwealth.com](mailto:marsh@marshwealth.com) or Dave Zandstra [2000davez@gmail.com](mailto:2000davez@gmail.com)