

With the tax-saving advantages achieved by donating appreciated securities, many United Methodists find they can be more generous to their local church and United Methodist institutions and agencies than they could be with an after-tax gift of cash.

#### Two Precautions:

1. For appreciated securities that you have held for less than one year and one day, only your cost basis is deductible.
2. It is usually more advantageous to sell stock that has decreased in value, claim the loss on your tax return, and contribute the cash proceeds.

#### TIMELY CONSIDERATIONS

Consider a gift of appreciated securities whenever you prefer not to incur capital gains tax, such as in these circumstances:

##### *When you wish to upgrade your portfolio.*

Donate appreciated, low-dividend stock. Use your cash to buy stocks that pay higher dividends.

##### *When you wish to increase your cost basis in a stock you intend to hold.*

Give your low-basis securities. Use your cash to purchase more of the same stock at current prices and thereby increase your cost basis without incurring any capital gains tax.

##### *When you want a higher yield.*

Create a Foundation Charitable Gift Annuity or Charitable Remainder Trust with low-yield, highly appreciated securities. Your capital gain liability is either greatly reduced or eliminated, and you and/or another beneficiary receive annual income, frequently at a higher rate of return. You also get an immediate income tax deduction.

#### GIFTS OF MUTUAL FUNDS

Mutual fund shares that have appreciated in value are an excellent charitable gift with tax advantages similar to those from gifts of other appreciated securities. In many cases, mutual fund shares held in a brokerage account may be transferred directly to the Foundation's brokerage account. However, mutual funds held directly with the mutual fund company may need special handling. Please notify our office of your intent to make such a gift. We will be happy to assist you.

#### MULTIPLY YOUR GIFT

Some corporate matching gift programs will match gifts of securities made by employees, their spouses, retirees, and directors. Please check with your company's personnel or public relations office to determine if it will match your gift. If so, obtain the appropriate form and forward it with your gift.

#### OTHER QUESTIONS?

Please contact us if you have questions:

**Missouri United Methodist Foundation**  
**PO Box 1076**  
**Columbia MO 65205-1076**  
**573-875-4168**  
**800-332-8238**  
**Fax: 573-875-4595**  
**Website: [www.mumf.org](http://www.mumf.org)**

12/08

# Giving Securities

STOCKS  
BONDS  
MUTUAL  
FUNDS



Missouri  
United Methodist  
Foundation

1-800-332-8238

#### A WISE WAY TO GIVE

Appreciated marketable securities provide an excellent means of benefiting the United Methodist charity of your choice. Your gift of securities allows you to achieve your charitable goals and realize substantial tax benefits. Most gifts of appreciated securities that you have held long term\* are fully deductible at fair market value, and you do not incur a tax on unrealized capital gain.

The Missouri United Methodist Foundation can assist you in making your gift to any United Methodist church, organization or affiliated institution. This service of the Foundation is intended to assist those United Methodist charities that do not have the ability to readily receive and process gifts of securities.

#### When you donate long-term appreciated securities:

1. You incur no capital gains tax. (That's your "extra" tax savings!)
2. The Foundation incurs no capital gains tax when it sells the securities.
3. You can deduct the fair market value of the securities as of the date of your gift. The income tax deduction may be taken for up to 30% of your adjusted gross income, or up to 50% if you elect to limit your deduction to your basis on your tax return. Any unused deductions may be carried forward and used for as many as five additional years.

\*For this purpose, an asset is "long term" if held for more than one year.

## How to Donate

### **Transferring Securities Held by a Broker or Bank**

1. If you do not have physical certificates, your broker or bank can transfer the securities directly to the Foundation's account. Use the form on the right to send instructions to your broker.
2. Send a copy of the broker instructions to the Foundation by fax or mail.
3. When the transfer is completed, you will receive a receipt confirming the value of the gift as of the date it is received by the Foundation. Save this receipt for tax reporting purposes.

### **Transferring Securities Held in Certificate Form**

1. If you have physical certificates registered in your name, you will need the following items:
  - The stock certificate(s)
  - An Irrevocable Stock Power (available from the Foundation, phone **800-332-8238**)
  - A Third Party Release (available from the Foundation, phone **800-332-8238**)
  - A cover letter with your name, address and phone number, as well as a statement identifying the intended recipient and purpose of the gift.
2. Complete the Authorized Signature section for the Irrevocable Stock Power and the Third Party Release. **The signatures on each form must correspond exactly to the names appearing on the certificate.** Also, have a Notary Public notarize the Third Party Release form. Upon receipt of these two items, the Foundation will fill in the appropriate information on the remainder of each form.

3. Mail the cover letter, the Irrevocable Stock Power and the Third Party Release to the Foundation. **For security purposes, we recommend sending the stock certificate(s) to the Foundation in a separate envelope.** It is not necessary to fill out the back of the certificate (this information is already included on the Irrevocable Stock Power).
4. Send the stock certificate(s) to the Foundation:

#### **By U.S. Mail (certified mail suggested)**

Missouri United Methodist Foundation  
PO Box 1076  
Columbia, MO 65205-1076

#### **By UPS, FedEx, Airborne, etc.**

Missouri United Methodist Foundation  
111 S. 9th St. Suite 230  
Columbia, MO 65201

5. Upon receipt of the stock certificate(s), the Foundation will send you a receipt confirming the value and date of the gift. Save this receipt for tax purposes.

#### **What if my stock certificate is more shares than I want to donate?**

If you already have a brokerage account, it is most expedient to place the shares with your broker and accomplish an electronic transfer as described above.

Alternatively, the Foundation can assist you in having a new certificate issued from the corporation. This process can be time consuming, and one should allow at least eight weeks for the transfer to occur.

## Securities Transfer Instructions

(to be used when your broker or bank holds your securities)

**Donors: Please give these instructions to your broker. Also, please fax a copy of this letter to the Foundation at (573) 875-4595 or mail to:  
Missouri United Methodist Foundation • PO Box 1076 • Columbia, MO 65205-1076**

Date: \_\_\_\_\_

From: \_\_\_\_\_  
*(Shareholder(s)/Donor(s) Name & Address)*

To: \_\_\_\_\_  
*(Shareholder(s)/Donor(s) Stockbroker Name & Address)*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

**RE: Transfer of stock to Missouri United Methodist Foundation from  
Brokerage Account No: \_\_\_\_\_**

I (we) wish to make a gift of \_\_\_\_\_ shares of \_\_\_\_\_  
*(Name of Security)*  
to the Missouri United Methodist Foundation for the benefit of \_\_\_\_\_  
*(Name of United Methodist Church or Organization)*  
for the purpose of \_\_\_\_\_  
*(e.g., pledge, campaign, designated fund, etc.)*

Charles Schwab & Co. functions as the custodian of the Foundation's account and will receive and credit the transfer as per these instructions.

#### **DTC Delivery Instructions:**

**DTC-eligible securities are to be delivered to DTC Clearing 0164, Code 40.  
Delivery must include the following name and Schwab account number:**

**Missouri United Methodist Foundation, Inc.  
Stock Gift Pass Through Account  
Schwab Account number 6358-8684**

Thank you for your prompt attention to this request.

\_\_\_\_\_  
Shareholder/Donor

\_\_\_\_\_  
Joint Shareholder/Donor