



# BENEFITS OF GIFTING APPRECIATED ASSETS

A way for donors to support Columbus Academy while avoiding capital gains tax and receiving a tax deduction.

One of the easiest and most tax-savvy ways of giving to Columbus Academy is to give appreciated assets, such as stock, bonds, mutual funds, real estate or even business interests. These kinds of gifts enable donors to make an impact on their favorite charities while also considering tax benefits to themselves.

When donors use long-term appreciated assets (those you have owned over one year) to make charitable gifts, you can avoid capital gains tax and receive a tax deduction for the fair market value of the gift.

Please note that each donor's financial situation is unique, and the exact deduction will be dependent upon other deductions for the year. Please contact our office or speak with your own tax professional to determine if this is right giving option for you.

Case studies of the benefits of gifts of real estate and other appreciated assets are on the reverse.

If you have any questions, please contact Erich Hunker '81, Assistant Head of School, Development/External Relations by phone at 614.509.2226 or via email at [hunkere@columbusacademy.org](mailto:hunkere@columbusacademy.org).

Thank you for supporting Columbus Academy!

# CASE STUDIES: Appreciated Assets

## Stocks, bonds, mutual funds, business interests

Example 1: George bought ABC stock when it was only \$100/share. With ABC stock now valued at \$550, he can give the stock to Columbus Academy, get an income tax deduction for the full \$550/share market value, and avoid paying capital gains tax on the \$450/share appreciation.

Example 2: Sam is the owner of a successful family business partnership. He is a 50% partner with his two sons, and he would like eventually to transfer controlling ownership to them. He can give shares of the business to Columbus Academy, get a tax deduction for its value, and then his sons can purchase the shares at some future date. By making gifts of shares every year, Sam can eventually transfer full ownership to his sons.

## Appreciated real estate

Example: Hal owns a beach condo at Cedar Point that he purchased years ago for \$100,000; he used to visit it regularly, but now finds the condo to be a burden. The condo is now valued at \$500,000. Hal can give the condo to Columbus Academy, get a tax deduction for the entire \$500,000, avoid paying tax on the \$400,000 capital gain, and relieve himself of the expense of maintaining the property.

We are here to help you create an **Academy Legacy** that is **unique to you**. Our office is happy to work with you and your family to **meet your philanthropic needs and goals**.

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