

Your Guide to the 2020 *Giving Season*

Unique opportunities
for year-end giving

Could this be generosity's finest hour?

In 2020, we've heard the words "uncertain" and "unprecedented" more times than we can bear. Yet they still ring true. Now, as we near the end of this tumultuous year, it's tempting to get caught up in the things that make us feel secure ... assets, investments, savings, *money*.

As givers, we are called to so much more.

Despite all the challenges, God is capable of using our giving this season to transform hearts – including our own – in a way that the world has never seen, for his glory.

We pray that this year-end is generosity's finest hour. And we hope that everyone who is called to give will too.

At the National Christian Foundation (NCF), we want to help you be a good steward of all the resources that God has entrusted to you. The good news is that for your unique situation, there are a number of tax strategies that could help you maximize your impact for the charities you care about, just when they need it most.

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100% AGI Giving

This year, the CARES Act offers a rare opportunity to deduct up to 100 percent of your adjusted gross income (AGI) for a significant tax savings. Contact your NCF team today to learn how you can leverage this unique strategy before it expires on December 31, 2020.

Want to give without depleting cash?

With so many charities struggling to meet new challenges this year, you probably have a heart to keep pace with the need. At the same time, you may be hesitant to deplete your cash reserves because there is so much uncertainty right now. Here are several tax-smart options to help you honor your giving commitments without depleting your cash.

Give appreciated assets

By giving real estate holdings, business interests, or other appreciated assets directly to a Giving Fund at NCF, you'll most likely be able to receive a fair market value deduction and avoid the capital gains tax, while the charity, as an owner, may enjoy significantly lower taxes of future company profits or sale proceeds. Essentially, you are giving pre-tax value and still getting the charitable deduction – a double benefit – which is a much wiser way to give than cash.

Give from deferred income accounts

If you have deferred income such as retirement accounts, restricted stock units (RSUs), non-qualified stock options, or commercial annuities, these might be smart assets for giving instead of cash. With the 100% AGI deduction this year, you may be able to accelerate your receipt of this

deferred income and offset the resulting taxes with a charitable gift of proceeds. However, one important thing to note before accelerating your receipt of these deferred-income assets is to first consult your financial advisors to be sure you will still have more than you need to cover your personal financial needs.

Give life insurance

You may have life insurance policies with significant cash value that you will not need for your personal financial goals. After consulting with your financial advisors, you could withdraw from the policy's cash value and give to charity up to 100% of your AGI this year. You can provide the charities of your choice with a significant sum of money and create a lasting legacy.

Learn more at
ncfgiving.com/givebeyondcash

Investments doing better than expected?

This year has been full of unexpected turns, both high and low, in the stock market. Despite its volatility, you may have investments that have accumulated significant unrealized capital gains ... which could result in a hefty tax bill when sold. Here are a few things to consider in order to pay less tax and give more to charities you care about.

Give appreciated securities before you sell them (and stop writing checks to charity)

By carrying out your regular giving using appreciated assets, you increase your giving capacity by trading current or future tax exposure for more charity today. Instead of writing checks to charity, give appreciated securities to charity and send the cash to your investment portfolio instead. Then you can use the cash you would have given to the charity to replenish your investment account and rebalance your portfolio.

Give from your IRA

If you are 72 or older, have more than enough to live on when you retire, and want to give charitably, why not give it to charity now with a qualified charitable distribution from your IRA? Each year you can give up to \$100,000 from your IRA directly to charity (or to an NCF Single-Charity Fund) without having to include that amount in your taxable income.

Learn more at
ncfgiving.com/investmentsup



"It's not just about saving taxes. Giving stock has helped us make the most of the resources God has entrusted to us so we can share life and love with others."

Stuart and Candace Smarrt
Givers, NCF Georgia

Business doing well?

If your business has prospered this year, then you have a powerful engine to fund your charitable goals. With the increased value, you may even be considering a potential sale. Or you may be thinking about the increased taxes that come along with higher profits. Here are a few ideas that leverage your business for generosity.

Give a portion of your business before you sell it

If you are contemplating a liquidity event this season, this could be your opportunity of a lifetime to give more than you ever imagined. We have an innovative solution that allows you to donate a non-controlling interest in your business before the sale, receive a substantial tax deduction, reduce or eliminate future capital gains taxes on the gifted interest, and convert those tax dollars into more giving to your favorite charities.

Give a portion of your business while you still own it

To unlock more for charity without waiting for a liquidity event, consider giving a portion of business now. Using our Charitable Shareholder strategy, you can donate a non-controlling interest in your business, receive a substantial tax deduction, improve your cash flow, and still maintain management oversight of your business.

Learn more at ncfgiving.com/businessup



“Using our business to fund charities has transformed the way we look at our resources and how we honor God with everything we have.”

Eric Sheldahl
Giver, NCF Chicago

Business not doing well?

If this past year has been tough on your business, you might be praying for a way to honor your giving commitments and continue being generous. Your plans may have gone awry with the economic hit, but you know that charities need help more than ever. Here are a few ideas that could help you meet your charitable giving goals.

Transfer your business to your heirs or employees

If your business has lost value in 2020 and you planned to transfer it to your children or employees anyway, now might be a good time. Because the economy has compressed the value of your company, transferring it now may help you save on taxes. Keep in mind that including charitable giving in your business succession plan can further your generosity goals, while increasing tax efficiency to benefit your giving and your family. Estate planning doesn't have to be *charity or family*; with strategic planning it can be *charity and family* with greater tax-wise giving.

Use our Charitable Shareholder Strategy

You may potentially give up to 30% of the non-controlling shares in your business to NCF, still maintain operational control, and decrease the taxes you'll owe this year. As future company profits flow into your Giving Fund, you'll have more to give to the causes you love.

Learn more at ncfgiving.com/businessdown

We're here to serve you

At the National Christian Foundation (NCF), we want to help you be a good steward of all the resources God has entrusted to you. Our expert team can guide you through all the complexities of unique tax strategies that may help you maximize your impact for the causes you care about, just when they need it most.

What has God placed in your hands, and how do you use it best?

If you have a unique situation you'd like to discuss, connect with your NCF team today to explore your year-end giving opportunities.

And for more details about the CARES Act as well as informative videos and articles, visit ncfgiving.com/2020.

