

## **Ways to Give: *Securities***

Utilizing securities that have appreciated in value to fund charitable gifts is one of the most effective means of benefiting charity while obtaining considerable income tax advantages. If an individual sells a stock or bond that has increased in value, he will be subject to a tax on that capital gain. Because a public charity is not subject to income taxation, it can sell either of those securities without being subject to the capital gains tax.

How does one transfer stock to charity? It depends on how you currently hold the stock.

### **If you hold the stock certificate, the gift can be completed two ways:**

**By Mail:** The stock certificate, along with a letter of instruction regarding the purpose for which the gift is to be used, may be mailed to the following address:

Community Foundation of North Central Florida  
3919 W. Newberry Rd. Suite 3  
Gainesville, FL 32607

It is recommended that you use registered or certified mail to send the certificate. In a separate envelope, please mail a signed Stock or Bond Power. The Stock or Bond Power can be obtained from your broker or by contacting the Foundation at 352-367-0060.

**By Hand Delivery:** The stock certificate, along with a letter of instruction regarding the purpose for which the gift is to be used, may be delivered by hand to the following address:

Community Foundation of North Central Florida  
3919 W. Newberry Rd., Suite 3  
Gainesville, FL 32607

The stock certificate also must be accompanied by a Stock or Bond Power, available from your broker or the Foundation.

### **If the stock is held in a brokerage account, the gift can be transferred electronically. Please note new brokerage account instructions as of 10/1/2022.**

Transfers can be made into the Community Foundation of North Central Florida's main brokerage account from any account in the country by using the following instructions:

Community Foundation of North Central Florida, Inc.  
Account # TM21023  
DTC # 0221

UBS Financial Services, Inc.  
101 East Kennedy Blvd, Suite 1800  
Tampa, FL 33602  
(813)227-2813

Any electronic transfer should be accompanied by written notice to the Community Foundation of North Central Florida with the following information:

- Donor's name
- Name of stock and number of shares being transferred
- Purpose for which the gift is to be used

This notice may be mailed to the Gainesville address above, emailed to [office@cfncf.org](mailto:office@cfncf.org), or faxed to 352-378-1718.

### **Determining the Value of the Gift**

In addition to avoiding the capital gains tax, a charitable gift of securities held for more than one year entitles the donor to an income tax deduction equal to the value of the security at the time it is given to charity. However, determining the value of the gift to charity when the gift is made with securities is not as simple as it would be if the gift were made with cash. The Internal Revenue Service Regulations state that the value of the gift for income tax purposes is determined on the date the gift is completed and is equal to the mean of the high and low of the values traded on that date.

Generally, the gift is complete when it has been irrevocably transferred by the donor and comes under the Community Foundation's custody and control. When mailed, the gift is complete when it is postmarked. When hand delivered, it is complete when received by a Community Foundation representative. When transferred electronically, the gift is complete when it arrives into the Community Foundation's brokerage account.

It is Foundation policy to liquidate securities upon receipt unless otherwise noted.