



“I’ve learned that it’s a win-win to make gifts of appreciated stock. Both you and Russell Sage benefit.”

-KRISTINA HANSON SMITH ‘61

Kristina Hanson Smith ‘61 pursued a degree in nursing at a time when pandemics were considered a thing of the past.

Today her charitable gift planning strategy is helping to ensure that her priority – educating future nurses facing challenges like those of COVID 19 – is funded to the best of her ability. “What I have learned is that if you give stock that has appreciated for a long time it’s really a smart thing to do. I inherited stock from my parents that they purchased for very little, a long time ago. If I sold it I would have paid capital gains tax. But by gifting the stock, I avoid paying taxes and Russell Sage College receives a gift equal to today’s fair market value.”



## Donating appreciated securities is an often overlooked yet easy and cost-effective gift.

Just transfer appreciated stocks, bonds, or mutual fund shares you have owned for more than one year directly to Sage. We sell your securities and use the proceeds to enhance educational programming and support student success.

You receive an immediate income tax deduction for the full fair market value of the securities on the date of transfer and you pay no capital gains tax on the transfer when the stock is sold — a double tax savings!

### A gift of securities could be right for you if:

- You have publicly traded securities that you have owned for at least a year.
- These securities have increased in value since you acquired them.
- These securities provide you with little or no income.

Mutual funds, while technically not exchange-traded like stocks, are also sold publicly and have the same tax benefits.

### INCOME TAX BENEFIT

If you make a gift of securities and you itemize deductions on your income tax return, you would be eligible for an income tax charitable deduction for the full fair market value of your shares on the date of your gift, regardless of what you paid for them. You

may take charitable deductions for gifts of securities up to 30% of your adjusted gross income. You may carry forward the unused portion of your deduction for up to five additional years.

### CAPITAL GAINS TAX BENEFIT

If you make a gift of securities you would not have to report any of your capital gain in the securities, thereby eliminating any capital gains tax that would otherwise be due. If you were to sell these securities yourself, you would owe capital gains tax on the difference between the sale price and the amount you paid for them.

Assume a donor in the highest tax bracket is considering a contribution of \$10,000 either in cash or in appreciated securities that cost \$2,500 some years ago (\$7,500 long-term capital gain).

	Gift of Cash	Gift of Securities
Contribution	\$10,000	\$10,000
Income taxes saved	\$3,700	\$3,700
Capital gains taxes avoided*	n/a	\$1,500
Cost of gift after tax savings	\$6,300	\$4,800

\*Note that the capital gains tax savings apply even for donors who do not itemize deductions.

**Special note:** Please call or email us to tell us of your intent, and we will be able to assist you with the details of the transfer.

We welcome the opportunity to speak with you. To learn more about charitable giving options, please contact Susan Warshany at 518-244-4776 or warshs@sage.edu.