



Efficient Ways to Give to HCC

Note that these tips are meant as General Information and may not be suitable for any particular individual's own financial situation. Please consult your financial advisor and/or do your own research before taking any action.

These strategies are not only good for Building Campaign Pledge fulfillments but can also be used effectively for your regular tithes and offerings.

1. Appreciated Securities. If you own stocks, mutual funds, or other securities that have increased in value since you acquired them, donating them directly to the church can be a tax-efficient way to give. You can receive a charitable deduction for the fair market value of the securities, and you won't owe capital gains tax on the appreciation. **This only applies to long-term capital gains (i.e., if you've held the asset for more than one year).** Contact your brokerage firm or the HCC Treasurer (treasurer@hcchome.org) for more information.

2. Qualified Charitable Distributions (QCDs). If you are 70½ or older and have an Individual Retirement Account (IRA), you can directly transfer up to \$108,000 total per year from your IRA to qualified charities, like a church. This donation can count towards your required minimum distribution (RMD) and is excluded from your taxable income. Contact your IRA custodian for more information.

3. "Bunching" Multiple Years of Charitable Donations Together. With the standard tax deduction so high now, it can often be difficult to have enough deductions to make it more beneficial to itemize. One strategy is to do "bunching" - combine two (or more) years of your planned charitable contributions into one tax year so that you

will have more deductions than the standard deduction, making it worthwhile to itemize. Then in the other tax years, you take advantage of the high standard deduction when you have fewer charitable contributions and would not be able to itemize.

4. Establishing or Adding to Your Own Charitable Donor Advised Fund (DAF). Similar to "Bunching Multiple Years of Charitable Contributions Together" above, you can donate multiple years' worth of appreciated assets to your own DAF in one tax year, realize the total charitable contribution amount as a tax deduction in that one year if you itemize, not pay the long-term capital gain taxes on the donations, and then take years to issue "grants" from your DAF to the charitable organizations you would have normally supported with your cash or check donations and do so at the same frequency. Contact any of the big-name financial services firms for more information.

5. PayPal Giving Fund (PPGF). Donating via PPGF is an easy way for a donor to put their donation on a credit card while the church does not have to pay the typical credit card fees. This allows the donor to earn their credit card rewards while the church gets 100% of the donation. This should only be used if the donor is planning on paying off their credit card bill in full every month and will not carry a balance. Note: Donations to PPGF by the 15th of each month will be paid to the church by the 25th of that month. Refer to HCC's "Online Giving" webpage for more information.

6. Employer Matching Funds. For those fortunate enough to work for a company that still matches its employees' charitable contributions, note that most employers no longer match employees' "religious" contributions. However, they typically still provide matching grants for non-religious community-oriented charitable causes (such as the homeless care packages and neighborhood health fairs that HCC does in its Community Service ministry). Contact the HCC Treasurer for more information.