Strategies For Optimized Charitable Gifting

Donating Appreciated Stock

- Removes LT/ST capital gains from portfolio
- Reduces Single Stock Concentration Risk Exposure
- Charitable Deduction against a percentage of your AGI (Adjusted Gross Income) – if you itemize
- Foundation/Endowment recipient pay no tax on gains

Using QCD to Donate your RMD

- Can begin QCD at 70.5 – but not necessarily optimal to do so until your mandated RMD at 73
- Allows the removal of RMD from AGI calculation for tax purposes
- Good option for those that do not require their RMD/ income from IRA for living expenses
- If you don't itemize - then your charitable deduction does not impact your tax bill
    - QCD is great way to still receive a tax benefit while taking standard deduction
- $108k max in 2025 – can be split among multiple groups
- CWA can facilitate these in any amount

Donor Advised Fund (DAF)

- Great for programmatic giving to one or multiple organizations – while receiving a large one-time tax benefit for the sum of the gifts
- Fund a DAF in year 1 and receive a charitable tax deduction in year 1
    - Retain investment management and gifting control over the assets for years to come
- Investment autonomy requires $500k minimum
- Far cheaper operational costs than starting a full endowment/foundation

Wealth Bequests and Estate Planning

- Can select an institution to receive a given asset upon your death
    - Put this in your will, and inform the institution of your plans so they can prepare
- Charitable Remainder Trusts et al
    - CRUT – Income stream %
    - CRAT – Income stream Fixed $
    - Irrevocable trusts which pay an income stream for a beneficiary's lifetime, or a set number of years – and upon completion the assets are fully gifted to charity
    - Should be done with an estate planning team
- Costs to establish and maintain Trust entity are not insignificant

Contact Information

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