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3 ways to take advantage of year-end charitable giving



Sarah Hanley

By Sarah Hanley • Posted December 28, 2020

As a donor, especially one concerned with [Catholic giving](#), the Advent season is often a time when you opt to share your blessings with those in need. If you're considering year-end charitable giving to support a nonprofit you care about, here are a few tips to help you get started:

Consider opening a Donor-Advised Fund (DAF) — A DAF is your personal charitable giving account. DAFs allow you the freedom to decide where and how often you want to give. After opening a Donor-Advised Fund, you can make distributions from your fund to the ministries you wish to support. At CFGP, we offer Donor-Advised Funds as a giving vehicle to donors, and we manage all the investment, administrative, audit and distribution work of the account. DAFs are a great option for those who want the flexibility to give to various causes.

Give long-term appreciated securities, rather than cash — According to an article posted by Fidelity Investments in November of this year, contributing stocks, bonds, or mutual funds that have appreciated over time has become increasingly popular in recent years, and for good reason. Per Fidelity's article, most publicly traded securities may be donated to a public charity, and when the donation is made, the donor can claim the fair market value as an itemized deduction on their federal income tax return. The amount deducted can be up to 30% of the donor's adjusted gross income (AGI). Other types of securities, such as restricted or privately traded securities, may also be deductible, but additional requirements and limitations may apply. No capital gains taxes are owed when the securities are donated, not sold.

Make a planned gift — Many people are intimidated by the term "planned giving," but the reality is, it's one of the easiest forms of charitable giving you can participate in! Planned giving is an excellent way to assure your sustained support of the Catholic causes that mean the most to you. A planned gift costs you nothing during your lifetime and will carry on the tradition of philanthropy you are establishing right now.

With planned giving, you can:

- * Name a nonprofit of your choice in your will;
- * Designate and donate stocks and investment accounts (as mentioned above);
- * Make a significant gift with retirement plan assets such as IRAs, 401(K)s and 403(B)s without adverse effects to your lifetime finances.

CFGP can help you get started with your Catholic planned giving at any time. Please contact Jody Romano, Chief Advancement Officer, at jromano@thecfgp.org for more information.

While charitable giving can at times seem complicated, rest assured, it's not! There are many options available to you and all are much easier than they may appear. If you have any questions, please reach out to our team at CFGP and we're happy to help! Visit www.TheCFGP.org or call 215-587-5650 for more information.

Catholic charitable giving at its core is the act of bringing us closer to Christ. By helping those in need and sharing our gifts with one another, we are living our lives the way Jesus intended us to. Let this core value be your guide when planning your philanthropy.

Sarah Hanley is the president and CEO of the Catholic Foundation of Greater Philadelphia. To learn more, visit TheCFGP.org or call 215-587-5650.

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