

# Waterfront Village Seminar

## Financial and Estate Planning

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# Sources for Gifts

## 1. Non Retirement Accounts

- Joint and single accounts and some trust accounts
- Usually result in tax documents with dividends and capital gains itemized
- New limits on charitable gift deductions -- \$12,500 for single and \$25,900 for joint

## 2. Individual Retirement Accounts

# Work around Tax Limits

## Use Stocks instead of Cash

- Maximize the benefit of a charitable gift is to gift appreciated stock instead of cash
  - Check or stock value are both \$1000
  - Both get the charity deduction
  - But only the stock option allows you to avoid paying capital gains
- Most non-profit groups have an investment account that will accept the stock
- Make sure to let the charity know you are giving them the stock

# Gifts from IRA

## Be aware of law changes

- Required Minimum Distributions or RMD's have been pushed back to age 72 from 70 ½
  - Remember RMDs only apply to traditional IRAs and not Roth IRAs
  - Minimum distributions start at about three percent annually and go up from there (many people take out more)
- Starting at age 70 ½ you can make what's called a Qualified Charitable Deduction or QCD
- If a distribution from your IRA is sent DIRECTLY by your broker to a qualified charity, then the amount is not taxed