



CHURCH ONE

Creative Strategies in Giving

You will be enriched in every way for your great generosity, which will produce thanksgiving to God through us.

II Corinthians 9:11 (NRSV)

Not Equal Shares But Equal Sacrifice

The concept of equal giving has never existed at our church. Instead, we believe that the sacrifice should be equal. This ensures that there is a role in this capital funding campaign for every member of the church. Everyone's sacrifice is important if we are to be successful. Your financial involvement is a decision between you and the Lord. Giving is a part of worship, but giving must come from your heart to please God. You will never be pressured or told what you should give. However, we ask that you pray to discern God's will for your participation in the campaign.

Lord, what do You want to do through me?

Each of you must give as you have made up your mind, not reluctantly or under compulsion, for God loves a cheerful giver. — II Corinthians 9:7 (NRSV)

Gifts Other Than Cash

What are gifts other than cash?

- Transferring ownership of an asset, rather than selling the asset and giving the cash, is one form of a non-cash gift.
- Appreciated investment property held more than one year, such as publicly traded stocks, mutual fund shares, bonds, real estate, collectibles and other such readily marketable property have tremendous tax advantages.
- Personal property such as automobiles, jewelry and other items may also be given. There may be no capital gains tax benefits to these gifts, but the financial and spiritual benefits can be tremendous.

Why give gifts other than cash?

- The tax code is very generous toward this form of giving. Giving the asset to the church, then letting the church sell, eliminates potential capital gains taxes and can increase the after-tax proceeds.

How does the tax benefit work?

- **Itemized Deduction** | The individual or business is allowed to include 100% of the market value of most such assets as charitable contributions for tax purposes if held more than one year.



- **Capital Gains** | The transfer of property does not generate a capital gains tax.
- The church, as a tax exempt entity, will realize the full market value, less transaction costs, at the time of sale without paying capital gains taxes.

What if I sell first then give the cash?

- You may be subject to capital gains taxes, thereby reducing the after tax proceeds from the sale.

	SELL FIRST	O-T-C
Market Value	\$20,000	\$20,000
Cost Basis	-10,000	-10,000
Gain	10,000	10,000
Tax (assuming 20%)	2,000	0
Church Receives	\$18,000	\$20,000

How do I give gifts other than cash?

For stocks, mutual fund shares, and bonds:

Transfer Instructions (If held in "Street Name")

1. Contact the church office. We will provide you with the transfer instructions.
2. Contact your broker and request the transfer. You will be provided with stock powers or transfer papers to complete the transfer.

When you have completed the transfer, please notify the church office. We can answer any questions you might have.

For specific or confidential questions, you may also contact our Horizons Stewardship Ministry Strategist. Call the office for their toll-free number.

Special Tax-free IRA Gifts

For those aged 70 1/2 or older, it is now possible to make tax-favored charitable gifts from traditional and Roth IRA accounts. A total of up to \$100,000 per year can be transferred directly from traditional or Roth IRAs to one or more qualified charities such as St. Andrew free from federal income tax. There may also be state income tax savings. Amounts given in this way count toward required IRA minimum withdrawal amounts for the year of the gift. To make such gifts, it is important to not withdraw funds prior to a gift, but have the gift amount distributed directly from an IRA to the church. For those with check writing privileges on their accounts, this may be the most efficient way to make gifts directly from an IRA. Check with your tax advisor for more information.



Other Strategies

Cash Flow Gifts

A person can give significantly by giving smaller amounts at higher frequencies. Weekly, semi-monthly, or monthly giving allows large gifts to be reached in smaller steps. You may want to take advantage of the simplicity of electronic funds transfers for this giving option.

Diverted Funds Gifts

Freeing up funds which are currently going to other areas of spending allows a person to increase giving to God's work. Diverting funds from entertainment, dining out, dues, subscriptions, gifts, allowances, utilities, or transportation offers lifestyle adjustments, which impact one's giving.

Delayed Expenditures

The delaying of purchases allows a person to significantly increase giving. The acquisition of major items such as automobiles, clothing, or trips, when postponed, allows substantial giving opportunities.

Income Producing Assets

Interest income, payments from rental properties or monies from other income-producing assets provide a source for increased giving.

Sale of Assets

Sale of major assets, such as a house, car, land, or business provides available income for giving.

Raises/Bonuses

Dedicating one's forthcoming raises and bonuses is a creative method to increase giving.

Freedom From Debt

As a person looks ahead into the next three years, he or she may discover that debt obligations will be fulfilled. This frees up revenue for additional giving.

Unique Skills Income

Some people have marketable hobbies or skills, which enable them to give from those new profits.

Charitable Givings Resources

Reviewing all of one's charitable donations in light of their impact on the kingdom of God affords a resource for significant giving.



Savings and Annuities

Savings for special projects, retirement or a “rainy day” may offer a resource for increased giving. Often we realize that a portion of our savings may safely be given to the work of God’s kingdom through our church.

Corporate Gifts

Those who have used their business as a source for giving have made significant donations.

Additional Work Income

Taking a second job or part-time job or coming out of retirement are successful strategies people have used to increase giving.

A Look at One Family’s Commitment to Increased Giving

ACTIVITY	WEEK	YEAR	3 YEARS
Eliminate family meal out	\$30.00	\$1,560.00	\$4,680.00
Reduce Christmas budget		500.00	1,500.00
Reduce Vacation budget		250.00	750.00
Delay car purchase for six months		3,000.00	3,000.00
Eliminate 3 “dates”		170.00	510.00
Eliminate 1 cup of coffee/day	10.00	520.00	1,560.00
Three Year Total			\$12,000.00

“In addition, we will continue to support the annual budget and the mission programs.”

NOTE: Any discussion of tax treatment is not intended and should not be considered as tax advice. Consult your personal tax professional for advice on your tax position.