

GIVING SPECIALTY ASSETS

Commonwealth Charitable Fund may accept gifts other than cash, stocks, and mutual funds. In addition to meeting a minimum value, most gifts will require due diligence before being accepted.

These specialty assets may include, but are not limited to, the following:

GIFTS	BENEFITS	KEY CONSIDERATIONS
Real Estate	<ul style="list-style-type: none"> ▪ Capital gains tax avoidance ▪ No wait on home sale ▪ Immediate charitable tax deduction 	<ul style="list-style-type: none"> ▪ No binding sales agreement ▪ No debt ▪ Must be marketable
Small Business Interests C-Corporation Stock	<ul style="list-style-type: none"> ▪ Donor receives an immediate income tax charitable deduction in the year he or she makes the contribution to a donor-advised fund (DAF) ▪ Donor can receive an income tax charitable deduction up to 30% of adjusted gross income ▪ Unused deductions can be carried forward for 5 years ▪ Donor will not be subject to estate taxes on the gift ▪ Donor keeps the relationship with financial advisor 	<ul style="list-style-type: none"> ▪ No binding sales agreement ▪ DAF may hold active business interests for only 60 months ▪ Appraised value may be subject to discount for lack of marketability and minority interest discounts ▪ Transfer restrictions may require approval from board or other shareholders
Small Business Interests S-Corporation Stock	<ul style="list-style-type: none"> ▪ Donor receives an immediate income tax charitable deduction in the year he or she makes the contribution to a DAF ▪ Donor can receive an income tax charitable deduction up to 30% of adjusted gross income ▪ Unused deductions can be carried forward for 5 years ▪ Donor will not be subject to estate taxes on the gift ▪ Donor keeps the relationship with financial advisor 	<ul style="list-style-type: none"> ▪ No binding sales agreement ▪ DAF may hold active business interests for only 60 months ▪ Appraised value may be subject to discount for lack of marketability and minority interest discounts ▪ Charity is subject to unrelated business income tax (UBIT) ▪ Transfer restrictions may require approval from board or other shareholders

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Small Business Interests Partnership LLC	<ul style="list-style-type: none"> ▪ Donor receives an immediate income tax charitable deduction in the year he or she makes the contribution to a DAF ▪ Donor can receive an income tax charitable deduction up to 30% of adjusted gross income ▪ Unused deductions can be carried forward for 5 years ▪ Donor will not be subject to estate taxes on the gift ▪ Donor keeps the relationship with financial advisor 	<ul style="list-style-type: none"> ▪ No binding sales agreement ▪ DAF may hold active business interests for only 60 months ▪ Appraised value may be subject to discount for lack of marketability and minority interest discounts ▪ Charity may be subject to UBIT ▪ Potential issues with debt ▪ Potential issues with hot assets ▪ Transfer restrictions may require approval from partnership or partners ▪ Capital call provisions
Tangible Personal Property	<ul style="list-style-type: none"> ▪ Broad asset category, including collectibles, artwork, vehicles, jewelry, coins, and timber ▪ For some tangible personal property, capital gains tax rate is 28%, so not recognizing that income is particularly advantageous 	<ul style="list-style-type: none"> ▪ Deduction almost always limited to basis due to related use rule ▪ Tangible property often difficult to value and frequently requires specialist to appraise and evaluate for proper tax substantiation ▪ Donors may not have basis evidence for inherited property or pieces acquired long ago

The Commonwealth Charitable Fund is offered through Renaissance Charitable Foundation.

To inquire about gifts of non-cash assets, please contact Kim Ledger at 317.757.3515 or at ledgerk@reninc.com.