



# Appreciated Securities

**Maximize Charitable Impact and Tax Savings**

## OUTRIGHT GIFTS

When you donate **appreciated stocks, bonds or mutual funds** to a public charity like The University of North Carolina at Chapel Hill Foundation, Inc. (EIN: 59-1711424), you are entitled to a charitable income tax deduction for the full market value of the gifted asset. You will also avoid incurring capital gains tax, allowing you to make an even greater impact than if you were to sell the securities and contribute cash.

## LIFE INCOME GIFTS

Appreciated securities also provide a tax smart way to fund life income gifts, such as **charitable gift annuities** or **charitable remainder trusts**, that will provide an income stream for life to you and/or loved ones and also support causes at Carolina that are important to you.

The tax benefits associated with life income gifts differ from outright gifts. The Office of Gift Planning can help determine whether these gift vehicles may be right for your situation.



### **Consider the following example:**

*John holds 1,000 shares of publicly traded stock that is currently valued at \$50 per share. He purchased the stock for \$10 per share several years ago and is considering a generous gift to Carolina. If John were to sell the stock and gift the proceeds to Carolina, he would incur \$8,000 in capital gains taxes on his \$40,000 profit. He could take an income tax charitable deduction of \$42,000.\**

*By contrast, if John were to transfer the stock directly to Carolina, he would pay no capital gains tax and could deduct the full value of his \$50,000 gift. This strategy not only maximizes the impact of his gift, but also mitigates tax liability.*

\*This assumes all realized gains are subject to the maximum federal long-term capital gains tax rate of 20% and does not take into account NIIT, state or local taxes.



## TRANSFER INSTRUCTIONS

*for DTC Eligible Securities*

**Clearing Broker:** Wells Fargo Advisors

**DTC Participant:** # 0141

**Account Number:** 89994225

**Credit to Account:** UNC-Chapel Hill

**Reference:** [Donor's Name]

Wells Fargo Advisors

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## CONTACT

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