

THE WILD ANIMAL Sanctuary

Your Guide

[To Year-End Giving]

Most of us want to be in a financial position to do more for those who need our support. Our government's tax laws offer incentives that encourage support of the works and dreams of charitable organizations and institutions that are making a difference in the world. Through careful planning, a year-end gift can allow you to do more for others than you may have anticipated while improving your own position.

A gift to us provides you with a feeling of personal satisfaction and demonstrates your belief in our mission. It may also result in a more tangible return--in the form of tax benefits. Charitable deductions on your current income tax return and capital gains tax savings are of foremost benefit. Future estate tax savings may also result from your gift.

There are many questions on charitable giving to consider before this year draws to a close.

When Should You Give?

For those who itemize deductions, a gift is deductible in the year in which it is made. If you have had to take the standard deduction in the past, a gift in the appropriate amount may increase your deductions above the standard. This qualifies you for a greater tax benefit.

Why does the tax deduction help? Because it makes the cost of donating a charitable gift less than the value received by the charitable organization.

For example, say a person who pays taxes at a 28 percent marginal federal income tax rate makes a gift of \$1,000 this year. It is as if that person has actually spent only \$720. The \$280 difference is the tax that the donor would have paid if no gift had been made.

Generally, the effect of the deduction is that the higher your income tax bracket, the more you will save in taxes. Many states also allow an income tax deduction for charitable gifts, so often the total tax savings are higher than those generated by the federal income tax deduction.

What Should You Give?

Giving several types of gifts is still possible this year--and practical for many donors. Naturally, these gift suggestions may also serve as sensible strategies beyond this year.

Gifts of Cash



Nothing is as simple and direct as giving cash. You can make an unrestricted donation, and we will use your gift for our greatest current need. You may also designate a gift for a specific purpose. A gift of cash may be deductible up to 50 percent of your adjusted gross income, and gifts in excess of 50 percent may be carried over as deductions into the next five years.

Gifts of Securities

Stocks or other investments that have grown in value and that you have held for more than one year can become a substantial gift with a low net cost to you. You still receive a charitable deduction for the donation of these assets, and it is based on their fair market value on the date of the gift. But there is a bonus--you avoid all federal capital gains tax that would otherwise be due on a sale of the assets.

Gifts of Real Estate

Perhaps your first thought is that you do not own property near our location to donate for our use. The fact is, almost any real estate, developed or undeveloped, is potentially a charitable gift. If you have owned your home or other real estate for a long time, it likely has increased in value significantly. If you would like to help fulfill our mission, your property opens the door to a unique giving opportunity: Donate the property to us outright, place it in trust or retain the use of it for life. All of these methods will enable you to enjoy financial benefits while supporting our work.

Effectively Timing Your Gift

To receive a valuable deduction for year-end, timing becomes an issue. To benefit from a deduction this year, the effective date of the gift also must be in this year. For example, if you are issuing a check to a charitable organization, the effective date of your contribution is the date it is hand-delivered or postmarked.

Gifts of securities, however, require more planning to ensure a deduction this year. If hand-delivered, the gift is made on the day the charitable organization receives a properly endorsed stock certificate, or an unendorsed stock certificate and a properly endorsed stock power. If you plan to send an endorsed stock certificate through the mail, the date of the gift is the date it is postmarked. It is best to separately send an unendorsed stock certificate and endorsed stock power; the date of your gift in this instance is the date of the later postmark. Stock that is held in an account can be transferred to an account in the charitable organization's name through your broker. The broker should call the organization for instructions on transferring the securities. The value and date of the gift are determined by the date of the transfer, which is the date the securities are received in the organization's account.



The actual date of a gift of real estate is the date the charitable organization receives the signed deed. Even though this part of the transaction can wait until the end of the year, you will want to start the procedure earlier to ensure that a qualified appraisal is completed before the gift is made. You should also contact the charitable organization in advance, as it will need to determine the acceptability of the gift and consider the environmental condition of the property.

What Really Matters

The availability of the income tax deduction helps a charitable person be even more charitable. To take advantage of a deduction in the desired year, donors need to be aware of the type and timing of their gifts.

While the tax benefits are useful, your wish to help The Wild Animal Sanctuary is paramount. We know that if you support us, it is because you believe in our mission. For that we thank you.

As you contemplate the kind of year it has been and your charitable plans for the future, please feel free to call us. We can provide you with additional information on the variety of gift options and tax-saving strategies that are especially suited to year-end giving. Together with your tax advisor, we can help you plan and implement a year-end charitable gift that takes advantage of available tax benefits and reflects your generous spirit. Our help is given in strict confidence and without obligation.

The Wild Animal Sanctuary

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