

ADVISOR TOOLS

Listening for charitable opportunities

Helping your clients achieve their **charitable goals**.



Philanthropy is a very personal decision. A professional advisor can help clients realize their charitable objectives by listening for charitable giving opportunities, explaining options, and suggesting solutions. Significant giving opportunities often arise when clients are making major business, personal, and financial decisions. Our staff can work with you and your client to recommend the best charitable solution. Following are some typical scenarios:

Year-end tax planning. Your client just earned a large bonus and wants to give a portion back to the community, but has no time to decide on the most deserving charities. Recommend establishing a Donor Advised Fund through their community foundation for an immediate tax deduction, and the ability to stay involved in recommending uses for the gift for years to come.

Preserving an estate. Estate planning identifies significant taxes going to the IRS, but your client wants to direct dollars for local benefit. The community foundation can work with you and your client to reduce his/her taxable estate through a charitable bequest or other planned gift. Your client's gift will create a legacy of caring in the community that stays true to his/her charitable intent forever.

Planning charitable giving

Many clients want their professional advisors to help them plan charitable giving. Your community foundation can work with you to answer these questions and help each client fulfill his/her charitable goals.

- What are your client's personal motivations for charitable giving?
- What are your client's charitable interests in the community?
- What are your client's priorities when focusing on a few areas may make the greatest impact?
- What level of involvement does your client want to have in identifying charitable uses for his/her gift?
- What type of giving instrument best fits your client's financial situation and tax status?



For good. For ever.™



We're a trusted resource.

We work with advisors to enhance the services clients seek from you and your firm — always respecting and working within the relationships you have developed and lead with your clients.

Why should you talk to your clients about charitable giving?

Some advisors are reluctant to begin a charitable giving conversation with their client, and may be concerned about appearing to make a values judgment, especially if the client has not expressed charitable intentions.

However, by not broaching the subject of charitable giving, a significant opportunity may be lost for your client and the community. In fact, many individuals expect their professional advisors to bring up the subject if appropriate... and assume charitable giving is not an option if the subject is not raised.

Retiring in comfort. Your client is concerned about running out of money during his/her lifetime, but has always been charitable. Recommend establishing a life income gift (such as a charitable remainder trust) at their community foundation that pays income potentially for life. Upon your client's death, the gift can be distributed by the community foundation in accordance with his/her charitable interests.

Establishing a private foundation. Your client is thinking about establishing a private foundation, but is looking for a simpler, more cost-efficient alternative. The community foundation can help you and your client analyze the pros and cons of creating a Donor Advised Fund, a supporting organization, or a private foundation.

Closely held stock. Your client's personal net worth is primarily tied up in a closely held company, but it's important for him/her to give back to the community. Recommend establishing a Donor Advised Fund or planned gift; your client is eligible for a tax deduction measured by the fair market value of appreciated stock (less any planned gift value).

Sale or disposition of highly appreciated stock. Your client has appreciated stock and wants to use a portion of the gains for charitable giving, but the identified charities are too small to accept direct stock gifts. Suggest establishing a fund at a community foundation with a gift of appreciated stock. Your client receives a tax deduction on the full market value, while avoiding the capital gains tax that would otherwise arise from sale of the stock. Your client can even be involved in recommending uses for the gift, including the organizations and programs he/she cares about most.

Sale of a business. Your client owns highly appreciated stock in a company that is about to be acquired. The community foundation can work with you to suggest several ways to structure a charitable gift (including the use of planned giving techniques) to help your client reduce capital gains tax and maximize impact to the community.

Strategic giving. Your client is passionate about helping meet a specific community need and wants to make a meaningful gift. You and your client can work with our grantmaking experts to understand community needs and programs and then direct gift dollars to make the greatest impact.

Substantial IRA/401(k) assets. Your client wants to leave his/her estate to community and family, and has substantial assets in retirement accounts. The community foundation can help you and your client evaluate the most beneficial asset distribution to minimize taxes, giving more to his/her heirs and preserving charitable intent.

There's so much more we'd like you to know. We can help you help your clients achieve their charitable giving goals. We welcome the opportunity to work with you.