

## Sample Tax Calculator Donations of Appreciated Securities

Donations of appreciated securities offer a higher tax benefit to donors than gifts of cash. Each time an investor wishes to liquidate shares, take the opportunity to calculate the minimum donation (in-kind) required that will offset the tax liabilities on the balance. It may be an ideal time to make a gift and/or grow your Foundation. This Tax Calculator provides a guideline for that decision. Simply input the book and market value of the securities, and the calculator do the rest.

### *Estimating the minimum donation required to be tax neutral when selling securities*

<b>Initial Cost</b>	\$	<i>Entered by client/advisor</i>
<b>Current market value</b>	\$	<i>Entered by client/advisor</i>
<b>VALUE OF DONATED SHARES</b>	\$	<i>Minimum gift required to offset tax liability</i>
Tax credit on donation	\$	
Value of remaining shares	\$	
Realized capital gain	\$	
Taxable capital gain	\$	<i>50% of realized capital gain on remaining shares</i>
Capital gain tax payable	\$	
Net tax payable	\$	
<b>Amount Retained</b>	\$	<i>Should be no further tax payable</i>
<b>Assumptions:</b>		
Qualifying securities		
Assume shares are sold/donated same day		
Top Tax bracket, marginal tax rate:		<i>Enter tax rate in decimal format. e.g. 0.4641</i>
Donation is less than 75% of net income		
Ignore \$200 "deductible" in tax credit calculation		
Ignore alternative minimum tax, and other tax issues		
		<input type="button" value="Clear Form"/> <input type="button" value="Print Form"/>