

Non-Cash Generosity

WHAT IS A NON-CASH GIFT?

Transferring ownership of an asset, rather than selling the asset and donating the proceeds, is one kind of non-cash gift.

WHAT KIND OF ASSET MIGHT I DONATE?

Appreciated investment property held more than one year, such as publicly traded stocks, mutual fund shares, and bonds may receive favorable tax treatment.

WHY CONTRIBUTE GIFTS OTHER THAN CASH?

The tax code favorably treats non-cash gifts. Giving a non-cash asset to FMUMC may eliminate capital gains tax liability and may increase after-tax proceeds.

HOW DOES THIS TAX BENEFIT WORK?

Itemized Deduction: An individual or business may include 100% of the market value of many non-cash assets as a charitable contribution if the asset is held for more than one year.

Because of its tax-exempt status, the church will receive the full market value, less transaction costs, at the time of sale without paying capital gains taxes.

WHAT IF I SELL A NON-CASH ASSET & GIFT THE PROCEEDS?

You may be subject to capital gains tax liability and the amount of your gift to FMUMC may be reduced.

	Sell First	Give to Church
Market Value	20,000	20,000
Cost Basis	-10,000	-10,000
Gain	10,000	10,000
Tax (assuming 25%)	2,500	0
Church Receives	17,500	20,000

HOW DO I GIVE ASSETS, SUCH AS STOCKS, BONDS, AND MUTUAL FUNDS TO THE CHURCH?

Asset transfer options:

1. Contact the church office and we will provide you with the transfer instructions.
2. Contact your broker and request the transfer. You will be provided with stock powers or transfer papers to complete the transfer.

In many cases your denominational foundation can handle asset transfers at no cost.

When you have completed the transfer, please notify the church office.

Other Strategies

CASH FLOW GIFTS:

Smaller gifts add up! By giving smaller amounts at higher frequencies - weekly, semi-monthly, or monthly - large gifts can be reached in smaller steps. Using electronic funds transfers can be beneficial when making these gifts.

DIVERTED-FUNDS GIFTS:

Freeing up funds that are currently going to other areas of spending allows a person to increase giving to God's work. Diverting funds from entertainment, dining out, dues, subscriptions, gifts, allowances, or transportation offers lifestyle adjustments that impact one's giving.

DELAYED EXPENDITURES:

Postponing major expenditures such as automobiles, home projects, or trips provides substantial giving opportunities.

INCOME-PRODUCING ASSETS:

Interest income, payments from rental properties or monies from other income producing assets provide a source for increased giving.

RAISES/BONUSES:

Contributing raises and bonuses are also creative methods that can be used to increase giving.

FREEDOM FROM DEBT:

Looking ahead to the next three years, you may discover that debt obligations will be fulfilled. This frees up revenue for additional giving.

UNIQUE-SKILLS INCOME:

Some people have marketable hobbies or skills that enable them to give from those new profits.

CHARITABLE-GIVINGS RESOURCES:

Reviewing all charitable donations in light of their impact on the Kingdom of God affords a potential resource for significant giving.

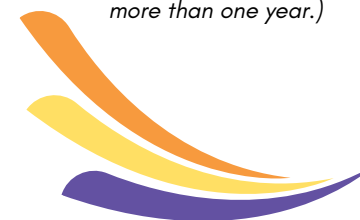
SAVINGS AND ANNUITIES:

Savings for special projects, retirement, or a "rainy day" may offer a resource for increased giving. We often realize that a portion of our savings may safely be given to the work of God's Kingdom through our church.

SPECIAL TAX-FREE IRA GIFTS:

If you are 73 years old or older, you can donate up to \$100,000 per year to FMUMC without incurring a penalty or tax liability. A gift from a traditional IRA can assist in satisfying a minimum distribution requirement (RMD) and may lower your overall tax liability. Remember that for preferable tax treatment, a gift from a traditional IRA should pass directly to a beneficiary and should not pass through an intermediate account.

(NOTE: Any discussion of tax treatment is not intended as and should not be considered tax advice. For personal tax advice, consider consulting with a professional tax adviser. Donors may include 100% of the market value of many non-cash assets as a charitable contribution if the asset is held for more than one year.)



Equal Sacrifice; not equal shares

The concept of "everyone contributes an equal share" giving has never existed at our church. Instead, we believe that the sacrifice should be equal. This ensures that there is a role in this capital funding campaign for every member of the church.

Everyone's sacrifice is important if we are to be successful. Your financial involvement is a decision between you and God as an act of worship. You will never be pressured, nor told what you should give. However, we ask that you pray to discern God's will for your participation in the campaign.

"God, what do You want to do through me?"

Everyone should give whatever they have decided in their heart. They shouldn't give with hesitation or because of pressure.

God loves a cheerful giver.
2 Corinthians 9:7 CEV

Illustrative Example

A family's plan to increase their giving commitment:

Activity	Week	Year	3 Years
Eliminate family meal out	\$30	\$1,560	\$4,680
Reduce Christmas budget		\$500	\$1,500
Reduce vacation budget		\$250	\$750
Delay car purchase for six months		\$3,000	\$3,000
Reduce entertainment budget		\$170	\$510
Eliminate 1 cup of coffee	\$10	\$520	\$1,560
THREE-YEAR TOTAL			\$12,000

NOTE: Any discussion of tax treatment is not intended and should not be considered as tax advice. Consult your personal tax professional for advice on your tax position.



**FLOWER MOUND
UNITED METHODIST CHURCH**

972-355-2711 fmumc.org
3950 Bruton Orand Blvd. Flower Mound, TX 75022



Creative Strategies in Giving



"Now to Him who by the power at work within us is able to accomplish abundantly far more than all we can ask or imagine, to Him be the glory in the church and in Jesus Christ to all generations, forever and ever."

Ephesians 3:20