



DEMAND HOUSING  
FOR HOMELESS PEOPLE  
LIVING WITH AIDS & HIV

## Stock Donation Frequently Asked Questions

### What are the advantages of transferring appreciated stock to Housing Works?

If you have held the stock for more than 12 months, you will avoid paying any capital gains tax and receive a tax deduction for the full value of the stock. The net cost of such a gift can be surprisingly low. For example, if you are in the 35-percent tax bracket and you contribute stock with a value of \$10,000 and a cost basis of \$2,000. The following chart illustrates your savings:

Current Value	Tax Savings from Deduction	Capital Gains Taxes You Save	Net Cost of Gift
\$10,000	\$3,500	\$1,600	\$4,900

### What should I do if my stock has depreciated in value?

Sell the stock and donate the cash proceeds. You will be entitled to two deductions, one for the capital loss and the second for the charitable gift. *Do not*, however, give the depreciated stock directly to the nonprofit organization, as you will not be able to take a deduction for the capital loss.

### What if I want to keep my stock portfolio as it is?

If you are planning to make a year-end cash gift - \$5,000 for example - and you also own appreciated stock that you want to retain, contribute \$5,000 worth of stock and repurchase the stock on the market with your cash. You receive the same \$5,000 charitable deduction, you pay no tax on the capital gain, and you increase your cost basis, thereby reducing the capital gains tax due when you eventually sell the stock.

We hope that the examples above will be of use to you in planning your gifts to Housing Works, Inc. The information above is by necessity of a general nature. Please consult with your accountant, attorney or other professional advisor regarding its applicability to your particular circumstances.

For additional information, or to donate stock, please contact Kathy Minas at 347.473.7402 or [k.minas@housingworks.org](mailto:k.minas@housingworks.org).