

Minimize Your Taxes and Maximize Your Gift

APPRECIATED SECURITIES

Giving stock is one of the easiest, most tax-savvy ways of supporting Jesuit education at USF. The IRS allows you to make your transfer to the University of San Francisco without recognizing capital gains on the appreciation. You can thus leverage a larger donation than you could make with cash — and receive a larger tax benefit — by “buying low and giving high.”



HOW DOES IT WORK?

You transfer appreciated stocks, bonds, or mutual fund shares you have owned for more than one year to the University of San Francisco.

USF sells your securities and uses the proceeds for the program you select.

DISCOVER THE BENEFITS

You receive an immediate income tax deduction for the fair market value of the securities on the date of transfer (even if you originally paid much less for them).

You pay no capital gains tax on the transfer when the stock is sold.

Giving appreciated stock can be more beneficial than giving cash. The “cost” of your gift is often less than the deduction you gain by making it.

Important Tip: Don't sell the stock first. Even though you may give us the proceeds as a gift, the IRS will impose capital gains tax on your sale, wiping out the benefits of this arrangement.

A GIFT OF APPRECIATED SECURITIES IS RIGHT FOR YOU IF...

You're holding stocks, bonds, or mutual fund shares that have increased in value.

You want to make a gift that doesn't affect your liquidity or cash flow.

You want to make an outright gift, or fund a gift that will first return lifetime payments to you and/or a loved one.

You want to diversify your assets to increase your income without having to pay the capital gains taxes that would result from a sale.

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CASE STUDY

Bill purchased securities for \$1,000 several years ago that are now worth \$10,000. Based on his annual adjusted gross income Bill is taxed at a rate of 28% for ordinary income and 15% for capital gain income. By giving \$10,000 worth of long-term appreciated stock, Bill reduces his income taxes by \$2,800 and saves an additional \$1,350 in capital gains taxes on his investment profit of \$9,000. Bill's after-tax cost of making his gift is \$5,850.

STOCK TRANSFER INSTRUCTIONS

Step 1: Please notify the Office of Gift Planning directly at (415) 422-4163 or giftplanning@usfca.edu when you are ready to make a gift of securities to USF.

We need to know the name of the stock or mutual fund shares you intend to contribute, the approximate value, and your intended gift purpose. If we don't know you're planning to transfer shares to USF your gift will be held in escrow until we can identify you as the donor.

Step 2: Authorize your broker or financial agent to transfer shares to USF's brokerage account at UBS.

UBS

Transfer shares via DTC into the University of San Francisco account at UBS Financial Services

DTC number is 221

USF account number is KP-33598-60

Tax I.D. is 94-1156228

If you have physical stock certificates or if you intend to give shares in a closely-held company, please contact Louise Lucchesi for special instructions.

Do not send certificates directly to USF.

Donors who hold shares in a Charles Schwab account can transfer shares from their account directly to USF's account at Schwab.

USF Schwab account number: 8992-3715

Account name: University of San Francisco

Account mailing address:

2130 Fulton St., LMN #300

San Francisco, CA 94117-1080

QUESTIONS ABOUT STOCK GIFTS?

Please contact the Office of Gift Planning:

Phone: (415) 422-4163

Email: giftplanning@usfca.edu

Website: giftplanning.usfca.edu/stock