



# Stretch Your \$\$

## Donate via appreciated Stocks/ETF/Mutual Funds

CMA Treasurer: Vinesh Patel | 512 554 8399 | [donations@chinmayaaustin.org](mailto:donations@chinmayaaustin.org)

Disclaimer: Please double-check tax benefit details with your tax advisor



# Summary



- Chinmaya Mission Austin is a tax-exempt organization
  - ....with public charity 501(c) status granted by Internal Revenue Service. All donations are tax-deductible to the extent allowed by law. Chinmaya Mission Austin Tax ID No. is 74-3001824
- Donating the same amount of money via appreciated assets gives more money to CMA and may provide the donor with additional tax savings.



# Hypothetical Example



- Both Ramesh & Prakash want to make a charitable donation to CMA.
- Ramesh and Prakash invested \$5000 in Tesla shares in April 2022. The fair market value of this investment today is \$20000.
- Ramesh sells his shares and realizes a \$15,000 gain. At a 20% capital gains rate, he pays \$3,000 in federal taxes. He takes the remainder of \$17,000 and donates it to CMA. Assuming Ramesh is in the 28% tax bracket, he will realize tax savings of \$4,760 on the donation of \$17,000.
- Prakash donates his shares directly to CMA. He will not have to realize any gain or tax on the \$20,000 transfer of stock to CMA. Assuming Prakash is in the 28% tax bracket, the \$20,000 donation will generate tax savings of \$5,600 for Prakash.
- Same applies to company stock options, ETF, mutual funds, RSUs, and stock participation plans.





# Example – In Table Format

*(assumes itemized deduction)*

	Ramesh	Prakash
Investment in 2022	\$5000	\$5000
FMV today	\$20000	\$20000
Capital Gains paid to IRS (assumed 20%)	\$3000	\$0
\$\$ Donation to CMA	\$17000 (\$20K - \$3K (capital gains))	\$20000
@28% rate, tax savings to donor	\$4760	\$5600
“Net” tax savings to donor	\$1760 (\$4760-\$3000)	\$5600



## Bottom line

CMA receives over 18% more \$ via appreciated asset donations.

Donor saves more on taxes via appreciated asset donations.

It is a true win-win for both the donor and CMA.





# What you need to do?

- Please consult your tax advisor to confirm tax benefits with respect to your personal situation
  - Example illustrated here may apply to most people, but individual tax situations may vary.
- To donate any stock/option/mutual funds:
  - Call CMA treasurer Vinesh Patel @ 512 554 8399 or [donations@chinmayaaustin.org](mailto:donations@chinmayaaustin.org)

