

## **Stock Donations to Henrico CASA**

Suppose you purchased 50 shares of Great Co. for \$500 and it has gone up and now the same 50 shares are worth \$1,500. You have two options if you want to make a charitable donation.

### **Option #1: Sell Stock**

You sell the shares through a broker for \$1,500. You pay the tax on the gain of \$1,000 that you received when you sold the shares. If you held the stock for more than a year you pay a tax equal to 20% of the gain, \$200. You donate the remaining \$1,300. When you fill out your tax return, you get a \$1,300 charitable contribution deduction. If you are in a 28% tax bracket, you get a \$364 reduction in the amount of tax that you owe.

### **Option #2: Transfer Stock**

You give the stock directly to CASA by asking your broker to transfer the shares to Henrico CASA's account at LPL Financial who then sells the shares for CASA. LPL Financial sends you a letter for your tax records showing the high, low, and average price of the day. Let's say that the average price on the day you transfer the shares is \$30. CASA receives approximately \$1,500 for your 50 shares, you receive a tax reduction, assuming the same 28% rate, of \$420.

If you have any questions or wish to transfer stock, please contact Marie Gordon by email at [gor066@henrico.us](mailto:gor066@henrico.us) for more details and instructions.