



DID YOU KNOW?

There are 1.5 million charitable nonprofit organizations in the U.S.

(2023, National Philanthropic Trust)

Individuals accounted for 67% of charitable giving in 2023.

(Giving USA)

Crafting a Charitable Giving Strategy from Simple to Complex

By: **Martin C. Kaiser**, SEVP & Financial Advisory Group Manager

Charitable giving is done for many reasons. It is a way to provide help to those less fortunate than we are. Whatever the motivation, the US tax code encourages these gifts. Charitable giving is not about saving taxes. However, there are many ways to make your charitable dollars go farther by using the tax code to your benefit. In this article, I will outline a few of the ways to give and the possible tax implication from the simplest to more complex strategies.

- **Cash Gifts.** The easiest, quickest, simplest way to give is to make gifts by check, credit card or debit card. You can possibly get an income tax deduction for this gift if you itemize deductions on your federal tax return. However, with the 2018 increase in the federal standard deduction, most people now use the standard deduction. Some charitable contributions can result in a tax credit on Indiana tax returns.
- **Donating Appreciated Assets.** Even if you do not itemize on your federal tax return, giving an appreciated asset such as a stock directly to a charity may provide a tax benefit. If you sell the stock yourself and then donate the cash, you could owe capital gains tax on the difference between your cost basis and the proceeds from the sale of the stock.
- **Qualified Charitable Distributions (QCDs).** After age 70 ½, you can make QCDs directly from your traditional (pre-tax) IRA. For 2024, the QCD limit is \$105,000. These distributions are not included in your taxable income. If you are taking required minimum distributions (RMDs), QCDs count toward your distribution requirement. QCDs are not allowed from a 401(k) plan.
- **Naming a Charity as Beneficiary of your Traditional IRA or Annuity.** When you name a charity as the beneficiary of your taxable retirement account, the assets in the account will pass directly to the charity upon your death, avoiding income tax on the distribution.
- **Donor Advised Funds.** Setting up a donor advised fund is a great way to set aside funds for future charitable giving. To save taxes, make a large tax-deductible contribution to the donor advised fund and then give the funds to charities over time. The fund grows tax-free and can be invested for growth.
- **Creating an Endowment at Your Local Community Foundation.** An endowment is a permanent fund established to support charitable causes. When you create an endowment, you donate a specific amount of money to the foundation, and the foundation invests the funds and uses the earnings to support your designated charitable purposes.

(continued on page 2)

INDEX	TOTAL RETURNS %		
	Q3 2024	YTD	1-YR
S&P 500	5.89%	22.08%	36.33%
MSCI World ex US	7.86%	13.67%	25.69%
Dow Jones	8.72%	13.93%	28.85%
BBG BARC Agg Bond	5.20%	4.45%	11.57%

**as of 09.30.2024*



springsvalley
FINANCIAL ADVISORY GROUP

(continued from page 1)

- **Naming a Charity in your Will.** Naming a charity in your will is a straightforward way to make a bequest after your death. You can specify a specific amount or percentage of your estate to be donated to your chosen charity.
- **Advanced Techniques.** A Charitable Remainder Trust (CRT) is a legal arrangement that allows you to make a gift to a charity while retaining a lifetime income stream, while a Charitable Lead Trust (CLT) is a legal arrangement where you transfer assets to a trust and the trust pays a fixed or variable income stream to a charity for a specified period. After the term ends, the remaining assets are distributed to your beneficiaries.

These are all wonderful ways to give to the important charitable causes in your life. You can make a significant impact on the causes you care about while maximizing the benefits of your generosity. Whether you are looking for a simple and straightforward approach or a more complex technique to optimize your tax savings, there is a giving strategy that is right for you. If you would like to know more about using one of these techniques, please reach out to the Financial Advisory Group.

Put Your Plan in Motion

Springs Valley Financial Advisory Group does not take a one size fits all approach. Everyone is different. We think everyone's plan should reflect that. Bridge the gap of your assets and goals with a comprehensive financial plan. Partner with us to create your road map to success with actionable steps while keeping an eye on the future. We want to spend time meeting with you to gain an understanding of your needs, wants, and dreams.

We work together to create a plan that considers:

- Your current financial situation and future financial needs
- Your investment objectives and risk tolerances
- Your goals and the priority of obtaining them
- The legacy you will leave

1,306 Accounts

*numbers as of September, 2024

\$795 Million in Assets

100% Dedicated to YOU

Acting in *your* best interest.



springsvalley
FINANCIAL ADVISORY GROUP

Trust and Investment products are not deposits. Not insured by the FDIC. | Not a deposit or other obligation of, or guaranteed by, the depository institution. | Not insured by any Federal Government Agency. | May lose value - subject to investment risks, including possible loss of the principal amount invested. Terms and conditions may apply. Subject to change without notice.



Let our Financial Advisors be your **FI-DU-CI-AR-Y.**

fa.svbt.bank | 800.843.4947

Since 1902 |

Timothy W. Fisher

Financial Advisor

Office: 812.634.4867

Cell: 812.499.9127

tfisher@svbt.bank

Ty Lawson

Account Administrator

Office: 812.634.4911

Cell: 812.653.0784

tlawson@svbt.bank

Martin C. Kaiser

CTFA

Senior Executive Vice President,
Financial Advisory Group Manager

Office: 812.634.4841

Cell: 812.719.1541

mkaiser@svbt.bank

Sandra K. Hemmerlein

J.D., CTFA

Vice President, Trust Officer
& Financial Advisor

Office: 812.634.4917

Cell: 812.630.1164

shemmerlein@svbt.bank

Jason T. Schmitt

Vice President, Trust Officer
& Financial Advisor

Office: 812.634.4827

Cell: 812.639.9663

jschmitt@svbt.bank