

Securities' Donations to the Church

A Great Way to Support Covenant and Save on Taxes

As many of you are aware, there can be tax advantages to making donations of securities to Covenant Church. Donated securities that you have a long-term gain on (**held for more than 1 year**) may be given to the church, thereby avoiding the capital gains tax that would otherwise be paid if you sold the securities, and you receive a tax deduction for the full fair-market value of the shares that you donate. It is important not to make a gift of securities where you have held them for 1 year or less, as your deduction will be limited to the lower of cost or market value (not a very good deal). If you wish to contribute securities on which you have a loss, consider selling them first and then donating the proceeds to the church. You will then realize a tax deduction for the loss in addition to the charitable-tax deduction. Please contact a tax advisor or the IRS for confirmation and further information.

For securities held in a brokerage account you will need to provide your broker with the transfer instructions shown below in order to make such a gift. Nancy Walker or I can also email or fax you or your broker a copy of these instructions. To donate securities that you hold in your own name, such as in a safe deposit box, please contact Nancy or me for the appropriate forms you will need.

Transfer Instructions

To The Credit Of:

Covenant Presbyterian Church

Account #25421977

Federal Tax I.D. #43-0703644

2143 North Ballas Rd.

Town and Country, Mo. 63131

c/o U.S. Bancorp Investments Inc.

DTC #0280 (code 40)

For Further Credit to Covenant Pres. Church

Account #25421977

Transfers must be completed by 12/31/2018 in order for the deduction to be taken in the current calendar year. Since brokerage back-offices get very busy making these types of transfers at year end, I suggest you give your broker as much notice as possible, as these transactions often take at least a few days or more to process. **Please inform either Nancy or me if you plan on making such a gift,** as it is often difficult for the brokerage firm to match up the individual donors with the securities donated. Upon completion of the transfer we will provide you with an appropriate receipt as soon as possible.

Thank you. Ed Sunder (821-3246)