

DONATING APPRECIATED NONCASH ASSETS**Amplify your giving power and minimize capital gains tax.**

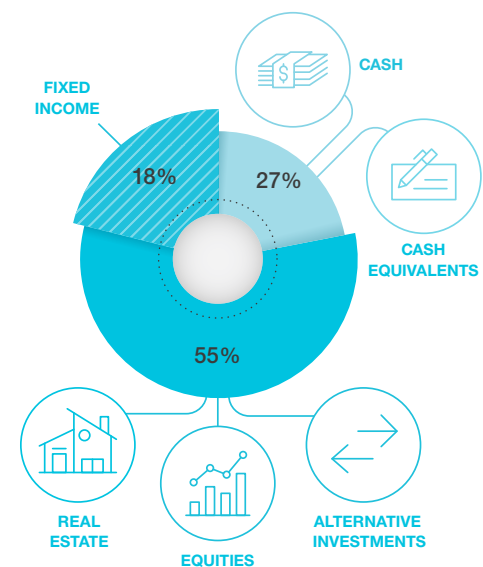
Did you know that an average donor holds most of their wealth in appreciated noncash assets? Yet cash still makes up the majority of American charitable donations.¹

T. Rowe Price Charitable makes it easy to convert appreciated public assets, such as stocks and mutual funds, into support for your favorite charities. To help expand your options for giving, T. Rowe Price Charitable is partnering with Charitable Solutions, LLC, to accept donations of appreciated private and nonpublicly traded assets as well. So, whether you hold real estate or business interests, cryptocurrency or collectibles, artwork or intellectual property, we can help you convert your privately held assets and amplify your giving power.

**Look
Beyond Cash
to Optimize
Charitable
Giving.**

For most high-net-worth individuals, cash or cash equivalents represent only about 27% of their wealth, while nearly 55% is held in equities, real estate, and alternative investments.²

This suggests that, for many high-net-worth donors, appreciated noncash assets could play a more significant role in their charitable giving strategy. Unfortunately, many donors are not aware of the potential benefits of donating noncash investments.



¹ U.S. Trust and the Indiana University Lilly Family School of Philanthropy (2016). The 2016 U.S. Trust® Study of High Net Worth Philanthropy Charitable Practices and Preferences of Wealthy Households. Retrieved from https://www.privatebank.bankofamerica.com/publish/content/application/pdf/GWMOL/USTp_ARMCGDN7_oct_2017.pdf

² Duffin, E. (July 12, 2019). Asset allocation of high net worth individuals in North America in 2019. Retrieved from <https://www.statista.com/statistics/300495/high-net-worth-individuals-asset-allocation>

Noncash Contributions: Doing Good for Both Donors and Charities.

Donors should consider noncash assets prime candidates for donation because they are often highly appreciated—meaning, if they were sold, there would most likely be significant capital

gain. That’s why contributing these assets presents an appealing proposition for donors and charities alike:



- Minimize or potentially eliminate capital gains taxes
- Are eligible for an immediate tax deduction for the fair market value³ of the asset
- Gain added liquidity by holding the cash they might have otherwise donated



- Receives the full value of the asset as an in-kind transfer
- Can do more good in the world

How to Maximize Noncash Charitable Giving.

How you choose to donate your appreciated noncash assets can make a significant difference in your potential tax deduction and the impact you’re able to make. Consider the example below:

	SELLING REAL ESTATE AND DONATING THE PROCEEDS	DONATING REAL ESTATE IN-KIND THROUGH A DONOR-ADVISED FUND
Property Value	\$1 million	\$1 million
Federal Capital Gains Taxes	\$200,000	\$0
Closing Costs and Brokerage Fees	\$75,000	\$75,000
Donation Received by Charity	\$725,000	\$925,000
Potential Tax Deduction for Donor	\$725,000	\$1 million

Special Considerations for Donating Noncash Assets:

- Donations valued at over \$5,000 require a “qualified appraisal,” as defined by the IRS.
- Deductions for noncash donations are limited to 30% of adjusted gross income in the year of contribution.
- Assets that have debt can still be donated but may result in tax complications. This includes debt inside a pass-through business entity and mortgages on real estate.

Grow your giving power with T. Rowe Price Charitable.

Appreciated noncash assets offer opportunity and benefits for both donors and charities. Consider exploring how noncash assets might

play a role in your charitable giving strategy. Contact T. Rowe Price Charitable to get started.

→ Visit trowepricecharitable.org

³ Per IRS rules, fair market value is determined by a qualified appraiser for nonpublicly traded assets.