Awakening Church

# Stock Donation Guide

## Why Give Stock Instead of Cash?

Giving through appreciated stocks (including vested RSUs and company stock) is one of the most tax-efficient ways to support Awakening. Donating shares directly (vs selling shares and giving cash) allows you to maximize the value of your gift while minimizing taxes.

By transferring shares directly to Awakening, you unlock two key benefits:

1. **Eliminate Capital Gains Taxes:** You pay $0 in Federal capital gains and/or in California state tax. These taxes would have normally amounted to a ~35% haircut, but you avoid that entirely when you donate stock directly to Awakening.
2. **Full Market Value Deduction:** If the stock has been held for more than one year, you can claim an itemized tax deduction for the entire market value on your personal tax return.

The Math: Selling Stock to Give Cash vs. Direct Stock Donation
*Scenario: Donating $50,000 in stock with an original cost basis of $10,000 (40,000 capital gain), assuming an estimated ~35% combined federal and California marginal tax rate.*

| | Option A: Sell Stock & Give Cash | Option B: Donate Stock Directly |
|---|---|---|
| **Stock Value** | $50,000 | $50,000 |
| **Taxes Incurred (Paid by You)** | -$14,000 | $0 (Tax-Free) |
| **Total Received by Church** | $36,000 | $50,000 |
| **Your Charitable Deduction** | $36,000 | $50,000 |
| **Community & Building Impact** | Reduced by taxes | 100% of gift supports the church |

## Important Guidelines for Equity & Company RSUs

- **The 1-Year Holding Period:** Ensure shares have been held for **more than one year post-vest** to deduct the full fair market value.
- **Tax Lot Selection:** Make sure to select your **lowest cost-basis shares** for donation to optimize tax savings.

## Steps to Complete Your Stock Gift

1. **Go to Awakening's website:** Go to awakeningchurch.com/give and click on **Give Stocks.** Then select the "**Give Stocks Now"** button. This will take you to "Stock Donator", which is Awakening Church's external partner to facilitate stock charitable donations.
2. **Complete the Stock Donator information form:** You will need to identify the stock, share quantity, and provide other information for your brokerage account. Stock Donator will then initiate the share transfer to Awakening Church.
    - **Transfer Verification:** Your brokerage will contact you (via phone or email) to confirm the share transfer within a few days of completing the Stock Donator form.
3. **Receipt & Tax Acknowledgment:** You will receive an email confirmation detailing the date, ticker, number of shares, and total donation value for your tax records within a few days following your donation.

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