



Those over 59½ may be able to accomplish a similar result by combining a gift with a withdrawal.

Some retirement plan giving options may be available only for gifts completed in 2009. Check with your financial advisors for the latest opportunities that apply to your situation.

- **A gift through your will or living trust.** With changes in estate taxes in recent years, many Americans find they will now be able to leave more to loved ones free of tax. This may also make it possible to give more for charitable purposes, both now and as part of your long-range financial plans. After providing for loved ones, you can include a charitable gift of a specific amount, a percentage of your estate, a certain property, or “what’s left.”

- **Gifts of life insurance.** If you own life insurance policies with accumulated cash value that are no longer needed for their original purpose, the value of such policies may be used to make a gift that can provide welcome income tax savings today and can also result in significant estate tax savings in the future.

- **Gifts that provide income for you or others.** There are also a number of ways to give that can provide you with increased income, current and future tax savings, and other benefits.

### Act today

As you can see, you can make meaningful and cost-effective charitable gifts by carefully planning their timing and the property used to fund them.

We will be pleased to provide more information to you and/or your advisors as you act to complete your plans.

**giving**  
AT YEAR-END

*Compliments of*

**Crouse Health Foundation**

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The purpose of this publication is to provide general gift, estate, and financial planning information. It is not intended as legal, accounting, or other professional advice. For assistance in planning charitable gifts with tax and other financial implications, the services of appropriate advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Tax deductions vary based on applicable federal discount rates, which can change on a monthly basis. Some opportunities may not be available in all states. ©MMIX RFSCO, Inc. All Rights Reserved. 8444-09

**T**he past year has been one of tremendous challenge. Economic conditions have made it necessary for most to make careful choices about how to spend, save, and give their resources. That is why we especially appreciate those who have chosen to continue their support.

Now more than ever, you may find that time spent determining the most sensible ways to give can help you stretch your charitable dollars. By choosing the best property and giving in the most effective ways, you may discover you can make gifts you did not think possible.

Read on for ideas that may be beneficial as you consider your philanthropic plans for the rest of this year.

## Enjoy tax savings

Those who make charitable gifts may wish to structure the amount and timing of their gifts to make the best use of tax incentives that remain available this year.

With proposed changes in federal tax laws, giving this year may never save you more.

The higher your tax rate, the more your gifts will save you. If you are subject to the alternative minimum tax (AMT), you may be surprised to learn that charitable deductions serve to reduce the amount of both the regular income tax and the AMT.

Remember that only gifts made by December 31 can help reduce the amount of taxes you owe next April.

## Deciding what to give

- **Cash.** Charitable gifts are most often made in the form of cash and checks. When you itemize your tax deductions, gifts of cash may be used to eliminate federal income tax on up to half of your adjusted gross income (AGI). You may enjoy state income tax savings as well.

- **Securities.** Giving securities (individual stocks, bonds, or mutual fund shares) that are worth more than they cost can bring additional tax savings. Gifts of such property are generally deductible from income tax at full current value if owned for longer than one year, and can be used to offset tax on up to 30% of your AGI. In addition, no tax is due on any gain, as could be the case in the event of a sale. Giving securities also frees up cash for other purposes or to diversify investments.

If you own investments that are worth less than they cost, consider selling them and making a charitable gift of the cash proceeds. This creates a loss you may be able to deduct from other taxable income along with the amount of the cash contribution. The combined deductions for the gift and the loss may total more than the current value of the investment.

Whether you make a gift in the form of cash or other property, any unused deductions may serve to reduce your taxes in as many as five future years.

## Other ways to give

In addition to gifts of cash and securities, there are other options you might wish to consider in today's environment.

- **Gifts from retirement plans.** Retirement plan assets can be a practical source from which to make gifts. Unlike many other types of investment accounts, amounts withdrawn from retirement accounts are taxable to you and eventually to your heirs, if left to them.

If you are over 70½ and have an IRA, you may want to consider making charitable gifts directly from these funds. Amounts given in this way for charitable purposes are not taxed as income to you and represent a way to make completely tax-free gifts.