

# GIFTS OF STOCK AND OTHER APPRECIATED ASSETS A Smarter Way to Give



## You can give more and make a bigger impact at St. Thomas with a gift of appreciated stock or mutual funds.

There are many benefits of giving appreciated stock or mutual funds versus cash:

**Eliminate 100% of capital-gains tax.** By donating an asset directly to St. Thomas, there is no capital-gains tax to pay. Depending on your federal income-tax bracket, this tax could be as high as 23.8%. Add the average state capital-gains tax of 5.1%, and you could be giving nearly 30% more than if you sold the asset and then gave a cash gift.

**Eliminate Medicare surtax.** If you are subject to the 3.8% Medicare surtax levied on

investment income, you can avoid this tax by donating the asset and allowing all of your investment to benefit St. Thomas.

**Receive a charitable deduction.** You still receive an income-tax deduction for the fair market value of the asset if you've owned it for more than one year.

**Preserve cash flow.** It is more cost-effective to save your cash for other financial needs.

**Help St. Thomas carry out its mission** to educate students to be morally responsible leaders who think critically, act wisely and work skillfully to advance the common good.

### REDUCE FUTURE CAPITAL GAINS

You may own stocks or mutual funds that you enjoy and want to hold for the long term. While it is pleasing to watch those assets appreciate, it also sets the stage for substantial capital-gains taxes when you sell.

You may want to consider donating some of your appreciated shares, and then buying new shares to reset your cost basis at the current higher price. This will reduce your future capital-gains tax exposure, if the assets continue to appreciate.

#### Example: Gift amount \$100,000 (cost basis = \$40,000)

Tax Savings	Stock v. Cash	
Ordinary itemized income-tax deduction (assume maximum 37% bracket)	\$37,000	v. \$37,000
Capital-gains tax (20%)	\$12,000	v. \$0
Medicare surtax (3.8%)	\$ 2,280	v. \$0
State capital-gains tax (5.1% average)	\$ 3,060	v. \$0
<b>Total tax savings</b>	<b>\$54,340*</b>	<b>v. \$37,000</b>

\*A difference of \$17,340 in total tax savings, representing a more than 45% increase over the savings from a cash gift.

**For more information,  
contact Jason Watt at:**

(651) 962-6945

[jason.watt@stthomas.edu](mailto:jason.watt@stthomas.edu)

# GIFTS OF STOCK AND OTHER APPRECIATED ASSETS Transfer Instructions



## Account transfer of publicly traded stocks, bonds or mutual funds:

If the securities that you intend to give to St. Thomas are publicly traded and held in “street name” by a brokerage firm, we prefer that they be transferred electronically from your personal account at your firm to the university’s account at:

**UBS Financial Services, Inc.**  
**Attn: Evans “Chip” Connelly**  
**8500 Normandale Lake Blvd.**  
**Suite 210**  
**Bloomington, MN 55437**

**DTC: 0221**

**University of St. Thomas**  
**Acct. #7N79967**

**Please include donor name.**

Please send St. Thomas a copy of your letter of authorization, including information on the name of the stock, number of shares to be transferred, and the gift designation.

Letters may be mailed to University of St. Thomas, Mail DEV: Attn. Tori Sellner, 2115 Summit Ave., St. Paul MN 55105.

**Physical Delivery.** If for some reason the securities are unable to be transferred by wire, and you need to make a physical delivery, contact Tori Sellner at the University of St. Thomas to determine the delivery process best suited to your particular situation: (651) 962-6899 or by fax at (651) 962-6996.

### Federal Tax ID Number

If you need the university's federal tax ID for paperwork involved with the transfer, please use: 41-0693970

## BEFORE TRANSFERRING:

To ensure a smooth delivery, please contact one of the UBS Financial Services or University of St. Thomas representatives below:

**UBS/Connelly Family Wealth Management & Consulting:**  
Evans “Chip” Connelly  
(651) 229-6070  
evans.connelly@ubs.com

Evans “Mick” Connelly  
(651) 229-6071  
evansconnellyIV@ubs.com

Geri Paquette  
(952) 921-7932  
geri.a.paquette@ubs.com

You may also fax inquiries to (855) 535-8106.

**University of St. Thomas:**  
Tori Sellner  
(651) 962-6899 phone  
(651) 962-6996 fax

## Thank you for considering a gift of stock to St. Thomas!