GIVING GUIDE

Thank you for your interest in giving to Pivotal. This guide will walk you through the various vehicles for charitable donations and explain how each can offer tax advantages. As always, **we recommend that you seek guidance from your tax or financial advisor** based on your unique situation.

Pivotal Connections: Tax ID: 77-016638

1. Appreciated Securities

Tax Benefit: Donating appreciated stocks, bonds, or mutual funds can provide significant tax benefits. You may be able to avoid capital gains tax on the appreciated value and receive a deduction for the fair market value of the assets.

Tips:

- Consult with a financial advisor to identify suitable assets for donation.
- Ensure the charity can accept securities.
- Download Instructions to Transfer securities to Pivotal.

2. Donor-Advised Funds (DAFs)

Tax Benefit: Contributing to a Donor-Advised Fund may allow you to take an immediate tax deduction when you make the contribution, even if you haven't decided on specific nonprofit organizations to support. Once the funds are in the DAF, they can be invested and grow tax-free.

Tips:

- Research DAF providers to find one with low fees.
- Be mindful of the restrictions on making grants from your DAF.

3. Qualified Charitable Distributions (QCDs)

Tax Benefit: If you are 70½ or older, you can make tax-free charitable donations directly from your Individual Retirement Account (IRA) to qualified nonprofit organizations. These donations count toward your Required Minimum Distribution (RMD) but are not taxable income.

Tips:

- Verify that the charity qualifies for QCDs.
- Keep records of QCDs for tax purposes.

4. Bequests

Tax Benefit: In general, there is an unlimited deduction of charitable bequests against the value of an estate, making it a powerful tool for reducing estate tax. It is possible for an estate to deduct charitable bequests of not only cash, but also property such as real estate, stock, IRAs, autos and other assets.

Tips:

- Work with an attorney experienced in estate planning to establish a will or trust.
- If you include Pivotal in your estate plans, please use our legal name and federal tax ID:

Legal Name: Pivotal Connections
PO Box 5040
San Jose, CA 95150
Federal Tax ID: 77-0166138

Questions? Ready to make an impact? Contact:
Chelsey Souza, Chief Development Officer: development@pivotalnow.org | 408.458.8394

5. Charitable Remainder Trusts (CRTs)

Tax Benefit: CRTs allow you to receive income from assets donated to the trust while benefiting nonprofit organizations. You receive an immediate charitable deduction for the present value of the future gift.

Tips:

- Consult with a financial advisor to set up and manage a CRT.
- Understand the tax implications of receiving income from the trust.

6. Charitable Lead Trusts (CLTs)

Tax Benefit: CLTs are the reverse of CRTs. They provide income to nonprofit organizations for a set period and then distribute the remaining assets to your heirs. You receive a charitable deduction for the present value of the income payments to the charity.

Tips:

- Work with an attorney experienced in estate planning to establish a CLT.
- Ensure your heirs understand the terms of the trust.

7. Real Estate and Personal Property

Tax Benefit: Donating real estate or valuable personal property can result in a charitable deduction for the fair market value of the asset, potentially leading to significant tax savings.

Tips:

- Obtain a professional appraisal to determine the fair market value.
- Be aware of any restrictions on the type of property nonprofit organizations can accept.

8. Cash Donations and Wire Transfers

Tax Benefit: Cash donations are the simplest way to give, and they are typically fully deductible, up to a certain percentage of your adjusted gross income (AGI). The specific limit may vary depending on tax laws.

Tips:

- Keep detailed records, including receipts, for all cash donations.
- Be aware of any changes in tax laws that may affect the deduction limit.
- Mail checks to Pivotal at PO Box 5040, San Jose, CA 95150 or give online at www.pivotalnow.org/donate

Charitable giving is not only a generous act but can also provide you with valuable tax benefits. It's essential to understand the various vehicles for charitable donations and how they can work in your favor from a tax perspective. **Please consult with tax professionals, financial advisors, and legal experts to maximize the benefits of your charitable contributions** while making a positive impact on the causes you care about.

To make a gift by **wire transfer,** please contact development@pivotalnow.org for transfer instructions.

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GETTING STARTED

Donor-Advised Funds (DAFs)

1. Research DAF providers to find one that aligns with your philanthropic goals and has low fees.
2. Set up an account with the chosen DAF provider.
3. Fund your DAF account with cash, securities, or other assets.
4. Recommend grants to your selected nonprofit organizations from your DAF account.

Appreciated Securities

1. Identify the appreciated securities you wish to donate.
2. Contact the charity to ensure they can accept securities and obtain their transfer instructions.
3. Work with your brokerage to initiate the transfer to the charity's account.
4. Keep records of the donation and the fair market value for tax purposes.

Qualified Charitable Distributions (QCDs)

1. Contact your IRA custodian to ensure they support QCDs and understand their specific requirements.
2. Determine the eligible nonprofit organizations you want to support.
3. Request the custodian to make a QCD to the chosen nonprofit organizations directly from your IRA.

Charitable Remainder Trusts (CRTs)

1. Consult with a qualified estate planning attorney or financial advisor to create a CRT.
2. Determine the assets you wish to donate to the trust.
3. Establish the terms of the trust, including the duration and income distribution plan.
4. Transfer the assets to the CRT.

Charitable Lead Trusts (CLTs)

1. Work with an experienced estate planning attorney to establish a CLT.
2. Choose the assets you want to place in the trust.
3. Determine the duration and beneficiaries of the trust.
4. Fund the trust with the selected assets.

Real Estate and Personal Property

1. Consult with a qualified appraiser to determine the fair market value of the property.
2. Contact the charity to discuss your intention to donate the property and ensure they can accept it.
3. Work with legal professionals to complete the necessary paperwork, including deeds or titles.
4. Transfer ownership of the property to the charity.

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