

Year-End Giving Ideas from The Florida United Methodist Foundation

When talking or writing about stewardship, we believe it is important to remember this aphorism: “Stewardship is not about the church’s need to receive; stewardship is about our need to give in response to God’s grace in our lives.” Which leads to the fundamental stewardship question: “What is God calling us to give?” Or put another way, “What can we return to God from the abundant blessings God has bestowed on us and our families to further God’s work through our United Methodist Church?”

Having answered that question, with the flurry of activity surrounding Thanksgiving, Advent, Christmas, the New Year, and, yes, year-end tax planning just around the corner, one might also ask, “*How* is God calling me to give?” But please remember, the question of *how* comes only after we answer the question of *what*, because giving is about so much more than tax brackets and charitable deductions.

Regardless of your income level, if you itemize deductions on your tax return, you can almost always reduce your tax bill through charitable giving. The amount of money you save in taxes depends on your income level, of course. That means an outright cash gift to your church, to fulfill your 2003 pledge or even to pre-pay all or a portion of your 2004 pledge, not only benefits your church but also can help reduce your tax bill.

Giving appreciated securities can have a double tax advantage. Not only can you claim a charitable deduction for the value of the stock you donate, you also avoid paying any capital gains tax that you would have been subject to had you sold the appreciated securities yourself. The Florida United Methodist Foundation is available to assist local churches in receiving gifts of this kind. For example, suppose you purchased stock several years ago for \$5000. Today, the value of the stock has doubled to \$10,000. By giving the stock directly to the church, you can claim a charitable deduction for the \$10,000 fair market value of the stock, and you avoid paying the capital gain tax on the \$5000 of appreciation – thus the double tax advantage.

Charitable Gift Annuities and other life income arrangements mean donors can make a gift to the church and receive an attractive guaranteed annuity payment for life – often at rates substantially higher than available in the market in this period of low interest rates. Upon the death of the donor(s), the Foundation distributes the remainder of the annuity or trust to benefit the donor’s church or other charitable causes.

Please consult with your tax advisor to see if any of these options might be appropriate in your situation. The Florida United Methodist Foundation is available to consult with you, your tax planner or attorney. You may click, write or call us at www.fumf.org, P.O. Box 3767, Lakeland, FL 33802, or 800-282-8011, extension 106.