



catanese group

Certified Public Accountants & Business Advisors
A Professional Corporation



7

— STEPS —

TO MORE

STRATEGIC CHARITABLE GIVING

HOW THOUGHTFUL PLANNING CAN HELP
MAXIMIZE THE IMPACT OF YOUR GENEROSITY



A practical starting guide for individuals and
families considering a significant charitable gift.

STEP 01

Define Your Giving Goals

START WITH THE "WHY"

Every meaningful gift begins with intention. Understanding what you want your giving to accomplish will help guide the decisions you make about how, when, and where you give.

Are you supporting organizations and causes that matter to you today? Do you want to create a family tradition of philanthropy? Are you interested in building a charitable legacy that continues beyond your lifetime?

Thinking about your goals can help determine how and when you give.

QUESTIONS TO CONSIDER

1. What causes and organizations are most important to you?
2. Do you want to support your community, a specific population, or a particular field such as education or the arts?
3. Do you want your giving to make an immediate impact or create lasting change over time?
4. Do you want to involve your children or other family members in your philanthropy?
5. Do you hope to build a legacy that extends beyond your lifetime?

YOUR ACTION



Take time to reflect on what matters most to you. Identify the causes and organizations that matter most to you and establish some general giving goals.



MAXIMIZE YOUR IMPACT

Charitable giving is about more than writing a check. For individuals and families who give significant amounts, thoughtful planning can help you make a greater impact while also considering the tax implications of your generosity.

The right strategy will depend on your goals, your financial situation, and the assets you're considering giving. This guide offers a starting point for thinking through your options - and knowing when it may be helpful to bring a qualified CPA and other professional advisors into the conversation.

STEP 02

Identify Organizations

WHO SHOULD YOU SUPPORT?

Careful research helps you support organizations that are well-managed, transparent, and making a meaningful impact. Taking the time to evaluate charities ensures your generosity goes further and creates the change you want to see.

QUESTIONS TO CONSIDER

1. Does the organization's mission and vision align with your charitable goals?
2. Are you interested in supporting a specific program or initiative?
3. How will your contribution be used?
4. How effectively does the organization use donations to achieve its goals?
5. Is the organization transparent about its financials, leadership, and results?
6. Does the organization have the ability to accept the type of gift you're considering?
7. Would you like to build an ongoing relationship with the organization, such as through volunteering, board participation or site visits?

YOUR ACTION



Identify organizations that align with your interests and do some initial research. Review their mission, impact, and financial transparency.



DO YOUR RESEARCH

Once you've established your giving goals, decide where you want your philanthropy to have an impact.

Take time to understand an organization's mission, programs, financial health, and how it will use your gift. For larger contributions, you may also want to talk directly with the organization about whether your gift can be used for a particular purpose.

STEP 03

Set Your Budget

HOW MUCH SHOULD YOU GIVE?

A thoughtful giving budget helps you align your philanthropic goals with your overall financial picture. It ensures your generosity is sustainable today and in the years ahead.

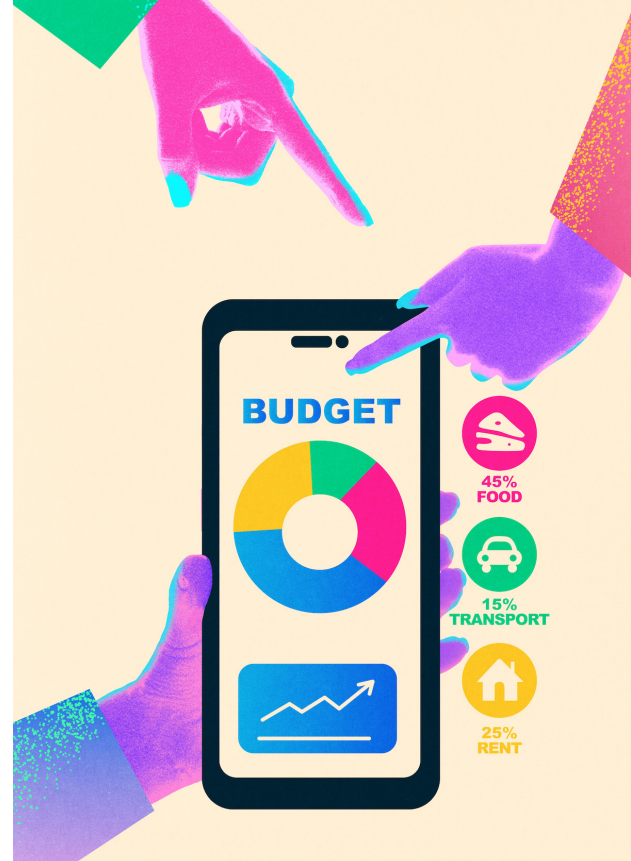
QUESTIONS TO CONSIDER

1. How does charitable giving fit into your overall financial plan, including retirement, education, and other goals?
2. Are you anticipating a particularly high-income year?
3. Are you expecting a major financial event, such as the sale of a business or investment?
4. Do you want to establish a regular annual giving amount?
5. Would you prefer to make larger gifts in certain years or give consistently over time?
6. How might changes in income, tax laws, or life circumstances affect your giving budget?

YOUR ACTION



Review your current financial situation and consider a giving budget that works with you. Talk with your CPA or financial advisor about how to incorporate charitable giving into your broader financial plan.



PREPARE TO PLAN

Charitable giving should fit into your broader financial picture. Consider your income, cash flow, assets, and other financial commitments before deciding how much you want to give.

A significant gift may require more planning than your typical annual charitable contribution.

STEP 04

Determine What to Give

WHAT SHOULD YOU GIVE?

Cash is familiar and convenient, but it isn't always the only - or most tax-efficient - option. Depending on your circumstances, you may be able to donate other types of assets.

QUESTIONS TO CONSIDER

1. Is cash the best option, or could appreciated assets provide greater benefits?
2. Do you have stock, business interests, real estate, or other assets you might consider giving?
3. How might the type of asset you give affect your taxes?
4. Would a combination of assets allow you to give more or have a greater impact?
5. Are there assets that hold personal meaning and could be especially impactful to a cause you care about?

YOUR ACTION



Review the assets you have and consider which ones might be most effective for your charitable giving goals. Talk with your CPA or financial advisor about the potential benefits and any special considerations.



KNOW YOUR OPTIONS

You can give in many forms - cash, appreciated securities, real estate, retirement assets, or other property. Understanding your options helps you maximize your impact and make the most of potential tax advantages.

STEP 05

Consider the Tax Impact

HOW WILL IT AFFECT YOU?

Once you've decided what you want to give, consider how the gift could affect your taxes. The tax treatment of a charitable contribution can depend on the type of asset, the recipient organization, the amount of the gift, and your individual tax situation.

QUESTIONS TO CONSIDER

1. How might your charitable giving affect your taxable income this year and in the future?
2. Will you be able to itemize deductions, or would a strategy like a Qualified Charitable Distribution be more beneficial?
3. Are there opportunities to reduce capital gains taxes by donating appreciated assets?
4. Are there additional valuation and reporting requirements if you donate assets like real estate or business interests?
5. Would a combination of giving strategies help you maximize your tax benefits while achieving your philanthropic goals?

YOUR ACTION



Talk with your CPA about how your charitable giving may affect your current and future tax situation. Explore strategies that help you give more while making the most of available tax benefits.



JUST REMEMBER!

Don't choose a charitable strategy solely because it offers a tax benefit. Your giving strategy should start with your charitable goals, with tax planning helping you determine how to accomplish those goals effectively.

STEP 06

Choose the Right Giving Strategy

HOW SHOULD YOU GIVE?

There is no one-size-fits-all approach to charitable giving. With a clear understanding of your goals, budget, options, and tax considerations, you can now choose a giving strategy that fits your unique situation. A thoughtful strategy helps you give more effectively today and over time.

QUESTIONS TO CONSIDER

1. Which giving strategies align best with your goals, values, and timeline?
2. Do you want to be actively involved in your giving, or would you prefer a more hands-off approach?
3. Would a combination of non-cash assets like funds, distributions or trusts help you achieve a greater impact?
4. How can your strategy support both your current giving and your long-term philanthropic vision?
5. Do you want to involve future generations of your family in your philanthropy? Do you want to leave a charitable gift after your lifetime?
6. Have you discussed your strategy with your CPA, financial advisor, or estate planning attorney?

YOUR ACTION



Consider which giving strategies are the best fit for you. Talk with your trusted advisor to develop a plan that aligns with your charitable goals and with your overall financial and estate plan.



CASH OR OTHER ASSETS?

Giving cash directly to a qualified charitable organization is the simplest and most familiar approach. But, there are other ways to give that may make more sense to your own personal situation.

Donor-Advised Funds, Qualified Charitable Distributions (gifts directly from an IRA), and trusts are also popular options for giving. Other non-cash assets like investments, real estate, retirement accounts, valuables or intellectual property can also be donated as part of your giving strategy.

STEP 07

Make Your Charitable Gifts

TURN PLANS INTO POSITIVE CHANGE

Now that you've chosen which organization(s) to give to, researched the financial and tax implications of your giving, and developed a strategy to maximize your impact and give in a way that aligns with your personal goals, it's time to coordinate with the organization(s) and create real-world impact!

QUESTIONS TO CONSIDER

1. Are you ready to make your gifts now, or will the timing be more beneficial for you or the organization in the future? Do you need to make this gift before the year-end?
2. Will your gifts be one-time or ongoing?
3. Do you want to designate your gifts for a specific program, project, or area of greatest need?
4. Have you confirmed the organization's preferred method for receiving gifts (e.g. check, online transfer)?
5. Do you need documentation for your tax records, and are you aware of the acknowledgement requirements?

YOUR ACTION



Make your charitable gifts according to your plan and make sure that they are structured correctly. Keep records of your contributions and ensure you receive proper acknowledgements from the organization(s).



DON'T FORGET

Before transferring a significant or non-cash asset, make sure the organization is prepared to receive it.

Some organizations may not accept certain types of assets, or may have specific procedures or documentation requirements. For restricted gifts, it's especially important to have a clear understanding of how the organization can use the funds.

Coordinating your giving in advance can help prevent surprises for both the donor and the organization.