



Fundamentals of Planned Giving

Part Three:

Assets Used for Charitable Contributions

Presenter: Craig Wruck
Senior Advisor, PG Calc

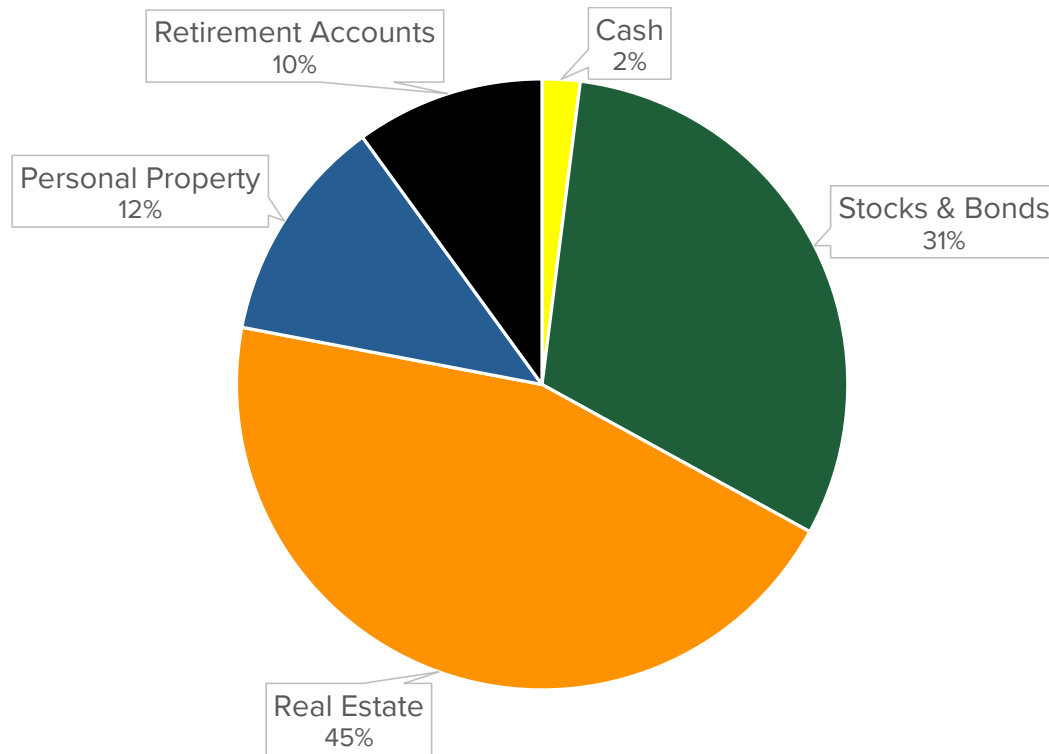
Date: July 21, 2026

Time: 1:00 – 2:30 Eastern

Agenda

- Review key income tax aspects of non-cash gifts
- Securities – stocks, bonds, and mutual funds
- Fair market value, appraisals, and Form 8283
- Real estate
- Personal property

Personal Wealth



Remember: Amount of Deduction

- Publicly traded securities: average between high and low market prices on the date of the gift
- Other non-cash gifts: “fair market value” – price arrived at between willing buyer and a willing seller (etc.)
- More than \$5,000 – qualified appraisal required to substantiate the value

Reminder: Capital Gains Tax

- Capital gain: profit on sale of an investment
- Long term capital gain: held more than a year
 - Taxed at preferential rates: 15% or 20%
- Short term capital gain: held year or less
 - Taxed at ordinary income rates
- Capital gain tax is completely avoided with a transfer of long-term capital gain property to a charity
- Capital gains savings available to non-itemizers as well as itemizers

After-tax Cost of a Gift

Assume a donor in the 24% tax bracket is considering a contribution of \$10,000 either in cash or in appreciated securities with a cost basis of \$2,000 (\$8,000 gain).

| | Cash | Securities |
|----------------------------|----------|------------|
| Contribution | \$10,000 | \$10,000 |
| Income taxes saved | 2,400 | 2,400 |
| Capital gain taxes avoided | - - | 1,200 |
| After-tax cost of gift | \$7,600 | \$6,400 |

Securities: Stock

- Equity ownership
 - Share value varies with value of the enterprise
 - May pay dividends or distribute income
- Many types – Common, preferred, S-corp
- Contributions
 - Custody account – street name, DTC, book entry
 - Physical certificates
 - Special concerns for S-corp stock

Securities: Bonds

- Debt obligation – an IOU
 - Price varies inversely with interest rates
- Many types – Corporate, municipal, U.S. government, zero coupon, U.S. Savings
 - Savings bonds do not make good lifetime gifts
- Contribution mechanics: similar to stocks

Securities: Bond Prices

What would an investor be willing to pay for a bond that pays \$600 per year and then \$10,000 when the bond matures some years in the future?

| Interest Rate | Bond Price | Rationale |
|---------------|------------|-------------------------|
| 6% | \$10,000 | \$600 is 6% of \$10,000 |
| 8% | \$7,500 | \$600 is 8% of \$7,500 |
| 4% | \$15,000 | \$600 is 4% of \$15,000 |

Securities: Mutual Funds

- Pooled investment funds
 - More than 9,000 funds in US, worth more than \$15 trillion
 - Almost one-half of households own mutual funds
- Transfer: usually simple except when it's complicated
- Dividend reinvestment programs
- Beware: deduction may be limited if owned for less than one-year

Securities: Depreciated Property

“Friends don’t let friends give when depreciated.”

- Securities that are *now worth less* than the donor paid generally do not make tax-wise charitable gifts
- Charitable deduction will be for current fair market value – which is less than the donor paid
- Selling might make better sense

Securities: Depreciated Property

Assume a donor in the 24% tax bracket is considering a contribution of securities now worth \$10,000 that cost \$15,000 (resulting in a \$5,000 loss if sold)

| | Gift of Securities | Sell & Give Cash |
|--|--------------------|------------------|
| Contribution | \$10,000 | \$10,000 |
| Income taxes saved | 2,400 | 2,400 |
| After-tax cost of gift | \$7,600 | \$7,600 |
| Capital loss (potentially used to off-set other capital gains) | -- | \$5,000 |

- Cautious evaluation of risks and rewards
 - Marketability
 - Holding costs
 - Environmental liability
- Other considerations
 - Debt encumbrance
 - Crops and timber
 - The dreaded timeshare

Personal Property

- Special considerations
 - Marketability at a fair price
 - Expenses while being held
 - Restrictions, reservations and other limitations
 - Alignment with organizations needs and goals
- Charitable deduction
 - “Ordinary Income” property
 - “Related use” rule

Notes: Non-cash Gifts & Gifts-in-kind

- Donors should transfer the item itself, not the proceeds from the sale
- Beware: helpful donors who offer to pre-arrange a sale
- Gifts of services – generally not deductible
- Gifts of art from the artist

Acknowledging Non-cash Gifts

- Donors must secure a “contemporaneous written acknowledgement” to substantiate their charitable deduction (see IRS Publication 1771)
- Little guidance as to required language, form, or signatures, but must describe item, date of gift, and provide information about goods or services offered in exchange
- Best practice: describe the item without citing a dollar value:

On behalf of <Charity Name, I am pleased to provide you with this contemporaneous written acknowledgement of your generous contribution on <date>, of <item description>. <Charity Name> offered no goods or services to you in exchange for your contribution.

Determining Fair Market Value

Fair Market Value: price that would be arrived at between a willing buyer and a willing seller, both with adequate knowledge & neither compelled

- Deduction up to \$500 – estimate value, enter on Form 1040 Schedule A
- \$501* up to \$5,000 – estimate value, explain, and file Form 8283
- More than \$5,000 – qualified appraisal to determine value, charity acknowledges receipt on Form 8283

* Deductions over \$500 for contributions of clothing require appraisal



YOUR PARTNER IN PLANNED GIVING SUCCESS

Form 8283

8283 **Noncash Charitable Contributions** OMB No. 1545-0074
 Form 8283 (Rev. 12-2025) Page 2
 Attach one or more Forms 8283 to your tax return if you claimed a total deduction of over \$500 for all contributed property.
 Department of the Treasury Internal Revenue Service
 Go to www.irs.gov/Form8283 for instructions and the latest information.
 Attachment Sequence No. 38
 Name(s) shown on your income tax return Identifying number

Enter the entity name and identifying number from the tax return where the noncash charitable contribution was originally reported, if different from above.

Name: Identifying number:
 Check this box if a family pass-through entity made the non-cash charitable contribution. See instructions

Note: Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities—List in this section only an item (or a group of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities and certain other property even if the deduction is more than \$5,000. If you need more space, attach a statement. See instructions.

| 1 | (a) Name and address of the donee organization | (b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached). | (c) Description and condition of donated property (For a vehicle, enter the year, make, model, and mileage. For securities and other property, see instructions.) |
|---|--|--|---|
| A | | | |
| B | | | |
| C | | | |
| D | | | |

Note: If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

| | (d) Date of the contribution | (e) Date acquired by donor (mo., yr.) | (f) How acquired by donor | (g) Donor's cost or adjusted basis | (h) Fair market value (see instructions) | (i) Method used to determine the fair market value |
|---|------------------------------|---------------------------------------|---------------------------|------------------------------------|--|--|
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| D | | | | | | |

Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities, Vehicles, Intellectual Property or Inventory Reportable in Section A)—Complete this section for one item (or a group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions reportable in Section A). Provide a separate form for each item donated unless it is part of a group of similar items. A qualified appraisal is required for items reportable in Section B and in certain cases must be attached. See instructions.

Part I Information on Donated Property

- 2 Check the box that describes the type of property donated. See instructions for definitions.
- a Art (contribution of \$20,000 or more)
 - b Qualified conservation contribution
 - b(1) Certified historic structure
 - c Art (contribution of less than \$20,000)
 - d Other real estate
 - e Equipment
 - f Securities
 - g Collectibles
 - h Intellectual property
 - i Vehicles
 - j Clothing and household items
 - k Digital assets
 - l Other

| 3 | (a) Description of donated property (If you need more space, attach a separate statement) | (b) If any tangible personal property or real property was donated, give a brief summary of the overall physical condition of the property at the time of the gift. | (c) Appraised fair market value |
|---|---|---|---------------------------------|
| A | | | |
| B | | | |
| C | | | |

| | (d) Date acquired (mo., yr.) | (e) How acquired by donor | (f) Donor's cost or adjusted basis | (g) For bargain sales, enter amount received | (h) Qualified conservation contribution relevant basis (see instructions) | (i) Amount claimed as a deduction (see instructions) |
|---|------------------------------|---------------------------|------------------------------------|--|---|--|
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |

Form 8283 (Rev. 12-2025) Page 2
 Name(s) shown on your income tax return Identifying number

Part II Partial Interests and Restricted Use Property (Other Than Qualified Conservation Contributions)—Complete lines 4a through 4e if you gave less than an entire interest in a property listed in Section B, Part I. Complete lines 5a through 5c if conditions were placed on a contribution listed in Section B, Part I; also attach the required statement. See instructions.

- 4a Enter the letter from Section B, Part I that identifies the property for which you gave less than an entire interest
 If Section B, Part II applies to more than one property, attach a separate statement.
- b Total amount claimed as a deduction for the property listed in Section B, Part I: (1) For this tax year (2) For any prior tax years
- c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization in Section B, Part V, below):
 Name of charitable organization (donee)
 Address (number, street, and room or suite no.) City or town, state, and ZIP code
- d For tangible property, enter the place where the property is located or kept
- e Name of any person, other than the donee organization, having actual possession of the property
- 5a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? **Yes No**
- b Did you give to anyone (other than the donee organization or another organization participating with the donee organization) in cooperative fundraising the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?
- c Is there a restriction limiting the donated property for a particular use?

Part III Taxpayer (Donor) Statement—List each item included in Section B, Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Section B, Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Section B, Part I and describe the specific item. See instructions.

Signature of taxpayer (donor) Date

Part IV Declaration of Appraiser—See instructions.

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(g) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund. I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties. I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).

Sign Here Appraiser signature Date
 Appraiser name Title
 Business address (including room or suite no.) Identifying number
 City or town, state, and ZIP code

Part V Donee Acknowledgment—See instructions.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date:
 Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file Form 8282, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? **Yes No**

Name of charitable organization (donee) Employer identification number
 Address (number, street, and room or suite no.) City or town, state, and ZIP code
 Authorized signature Title Date

7/21/2026

Form 8283 Section A: \$5,000 or Less

Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities—List in this section **only** an item (or a group of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities and certain other property even if the deduction is more than \$5,000. If you need more space, attach a statement. See instructions.

| 1 | (a) Name and address of the donee organization | (b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached). | (c) Description and condition of donated property (For a vehicle, enter the year, make, model, and mileage. For securities and other property, see instructions.) |
|---|--|--|--|
| A | | <input type="checkbox"/> | |
| B | | <input type="checkbox"/> | |
| C | | <input type="checkbox"/> | |
| D | | <input type="checkbox"/> | |

Note: If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

| | (d) Date of the contribution | (e) Date acquired by donor (mo., yr.) | (f) How acquired by donor | (g) Donor's cost or adjusted basis | (h) Fair market value (see instructions) | (i) Method used to determine the fair market value |
|---|------------------------------|---------------------------------------|---------------------------|------------------------------------|--|--|
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| D | | | | | | |

Form 8283 Section B: More Than \$5,000

Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities, Vehicles, Intellectual Property or Inventory Reportable in Section A)—Complete this section for one item (or a group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions reportable in Section A). Provide a separate form for each item donated unless it is part of a group of similar items. A qualified appraisal is required for items reportable in Section B and in certain cases must be attached. See instructions.

Part I Information on Donated Property

2 Check the box that describes the type of property donated. See instructions for definitions.

- | | | |
|--|---|--|
| a <input type="checkbox"/> Art (contribution of \$20,000 or more) | d <input type="checkbox"/> Other real estate | i <input type="checkbox"/> Vehicles |
| b <input type="checkbox"/> Qualified conservation contribution | e <input type="checkbox"/> Equipment | j <input type="checkbox"/> Clothing and household items |
| b(1) <input type="checkbox"/> Certified historic structure NPS # _____ | f <input type="checkbox"/> Securities | k <input type="checkbox"/> Digital assets |
| c <input type="checkbox"/> Art (contribution of less than \$20,000) | g <input type="checkbox"/> Collectibles | l <input type="checkbox"/> Other |
| | h <input type="checkbox"/> Intellectual property | |

| 3 | (a) Description of donated property (if you need more space, attach a separate statement) | | (b) If any tangible personal property or real property was donated, give a brief summary of the overall physical condition of the property at the time of the gift. | | (c) Appraised fair market value | |
|----------|--|----------------------------------|--|---|--|---|
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| | (d) Date acquired by donor (mo., yr.) | (e) How acquired by donor | (f) Donor's cost or adjusted basis | (g) For bargain sales, enter amount received | (h) Qualified conservation contribution relevant basis (see instructions) | (i) Amount claimed as a deduction (see instructions) |
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |

Form 8283: Acknowledgements

Part IV Declaration of Appraiser—See instructions.

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund. I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties. I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).

| | | | |
|--|---------------------|-------|--------------------|
| Sign Here | Appraiser signature | Date | |
| | Appraiser name | Title | |
| Business address (including room or suite no.) | | | Identifying number |
| City or town, state, and ZIP code | | | |

Part V Donee Acknowledgment—See instructions.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file **Form 8282, Donee Information Return**, with the IRS and give the donor a copy of that form. **This acknowledgment does not represent agreement with the claimed fair market value.**

Does the organization intend to use the property for an unrelated use? Yes No

| | | |
|---|-----------------------------------|------|
| Name of charitable organization (donee) | Employer identification number | |
| Address (number, street, and room or suite no.) | City or town, state, and ZIP code | |
| Authorized signature | Title | Date |

A Closing Note About Costs

- Gifts of assets can result in (sometimes significant) costs:
 - Due diligence: assessment of acceptability, marketability, and liability and, for real estate, environmental review
 - Transfer and holding: transportation and storage, title transfer fees, and, for real estate, title insurance
 - Sale or disposition: marketing, commissions, and maintenance costs
 - Qualified appraisals
- Consider asking the donor to contribute to these costs
- Review gift acceptance policies before a potential gift is at stake!



Click the Q&A icon at the bottom of your screen.



YOUR
PARTNER
IN PLANNED
GIVING
SUCCESS

Still Have a Question?

Contact: Craig Wruck

E-mail: cwruck@pgcalc.com