

# What is preventing you from talking to your clients about philanthropy?

## My client isn't charitable.

Your client may not be making yearly donations, but do they have assets they need to get rid of for tax reasons? Appreciated stock, real estate, distributions from retirement accounts, and other non-cash assets make great gifts and can help meet tax goals too.

## My client doesn't itemize her taxes, so there's no tax advantage to charitable giving.

Actually there are many ways to take advantage of the tax benefits of charitable giving even if you take the standard deduction most years. Here are some options:

### Bunching

Make multiple years' worth of charitable donations at the same time by creating a donor advised fund (DAF). Itemize that year to receive the tax deduction. This allows you to take the standard deduction in the following years, while continuing to make grants from your DAF without any additional tax consequences.

## Does she have to start taking RMDs from her IRA?

Turning an IRA's RMD into a Qualified Charitable Distribution (QCD) can offer a variety of tax savings for your client, even if they do not itemize their taxes. Making a gift from a client's IRA removes the amount from her adjusted gross income, and she will not be taxed on the amount.

A QCD can also potentially help reduce other taxes or Medicare Part B premiums, as well as future required distributions from an IRA.\*

*\*Clients should seek advice from a financial professional to determine if the tax advantages above apply to their individual situation.*

**"What I've learned in my practice is that we need to listen. We need to be able to have those deep seeded, goal oriented conversations with our clients that help them accomplish the really big, important stuff. As a professional advisor, that is our call."**

**- Jenny Keeney, CPA, Blume Keeney**

## My clients aren't high net worth. They can't afford to be charitable.

### Did you know...

The average donor leaving a bequest to charity in their will has a median income of \$60,400. 80% of Americans engage in charitable giving each year.\*

Many of the Community Foundation's donors are not considered "high net worth" (having investable assets of \$1 mil+).

Individuals or families can start a donor advised fund at the Community Foundation of Snohomish County with just \$5,000.

Donors can make a tax deductible gift of any amount to one of our Community Impact Funds. This option allows donors to support nonprofits throughout the county doing work in a specific area such as education, the arts, the environment or human services.

Making a gift to a Community Impact Fund is also easy. The client simply chooses a charitable area of interest and the Community Foundation does the rest. The transfer can be done through the financial advisor with no hassle for donor.

*\*US Trust Study, "The Philanthropic Conversation" 2018.*

**The Community Foundation provides** charitable options tailor-made to meet your client's financial and estate planning goals. Your client can set up a donor advised or other charitable fund and support specific charities, communities, or causes. You, their financial advisor can even continue to manage the donated assets.

## Check out our podcast!

### Looking Forward. Giving Back.

Hear local practitioners share their thoughts on how to talk to clients about charitable giving. Available now on Spotify, Anchor FM, and Apple Podcasts.

For more information:

Visit [www.cf-sc.org/plan/financial-advisors](http://www.cf-sc.org/plan/financial-advisors)

Contact us at [elena@cf-sc.org](mailto:elena@cf-sc.org) | (425) 780-4146.

**COMMUNITY  
FOUNDATION**  
of Snohomish County