

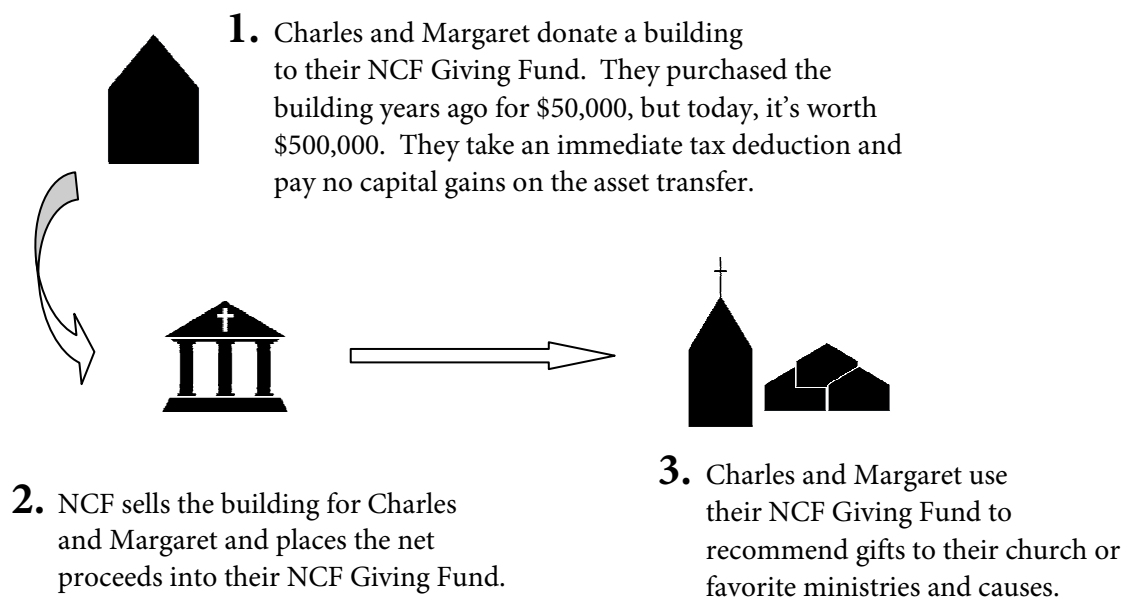


NCF's Non-Liquid Gift Services

Proven leadership and expertise

The National Christian Foundation (NCF) has literally hundreds of years of combined experience in charitable, estate, tax and legal planning. We are a recognized leader in receiving and managing non-liquid gifts such as real estate, business interests, restricted securities, and personal property. We handle the administrative burden by selling the asset for you and then placing the net proceeds into your NCF Giving Fund (donor advised fund), from which you may recommend grants to your favorite causes. You can give full or partial interests during your lifetime or, with proper planning, upon your death. Such gifts usually provide a far greater tax deduction than if you had sold the asset yourself and then donated the proceeds to charity.

Here's how it works (*using real estate as an example*).



What types of assets can I donate to my NCF Giving Fund?

- Real estate – land, houses, or other properties
- Restricted securities – publicly traded securities that may have sale restrictions
- Business interests – ownership in closely-held businesses, Limited Partnerships, Limited Liability Companies, or Sub-chapter S corporations
- Loan notes – money owed to you through loan notes
- Estate gifts – proceeds from wills, trusts, or life insurance policies
- Retirement plans – 401Ks, IRAs, or pension plans
- Life insurance – term, whole, universal, or variable
- Personal property – royalties, copyrights, patents, or precious metals like gold

Why should I donate non-liquid gifts to NCF?

- You receive a greater tax deduction, generally for fair market value.
- You avoid capital gains taxes on sale of the asset and lessen your estate tax liability.
- NCF handles the administrative burdens for you.
- Because of your deduction, ultimately more money goes toward the ministries you believe in, rather than to the federal government.

Should I give first, or sell first, *then* give? *Scenario A shows the wisest choice.*

- (A) The giver donates an appreciated asset to NCF, thereby taking a \$500,000 income tax deduction and receiving a \$205,000 reduction in taxes.
- (B) The giver sells an appreciated asset first, and then gifts the proceeds, thereby taking a \$405,500 income tax deduction and receiving a \$166,255 reduction in taxes.

Scenario	Gift to charity	Gift to gov't *	Income tax deduction	Value of charitable income tax deduction at 41%	Out-of-pocket cost to make the gift
A. Gift asset before sale	\$500,000	\$0	\$500,000	\$205,000	\$295,000
B. Sell asset, then gift proceeds	\$405,500	\$94,500	\$405,500	\$166,255	\$333,745

assumptions: 35% Federal, 6% State tax rates, \$50,000 asset basis, \$500,000 fair market value (FMV), donor held asset over one year and gives 100% of interest

To learn more NCF's Non-Liquid Gift Services, visit us online at www.nationalchristian.com or call us at 800.681.6223.