

Capital Gains Tax Bypassed



Peter and Gail were nearing retirement. Over the years, with the help of their financial advisor, they made solid investments in securities and built a sizable portfolio. While their investments increased substantially in value, their potential capital gains tax bill was rising. Now with retirement on the horizon, they were looking for a way to sell their highly appreciated stock, generate income for their future and avoid paying high capital gains tax.

Peter: For many years we had supported the work of our favorite charity. Through an e-mail we learned that we could make a gift of our appreciated stock to charity and bypass the potential capital gains tax cost we were facing. I was thrilled to learn that after transferring our portfolio to a charitable remainder trust, the trust would sell the stock tax free.

Gail: I liked the fact that the trust would provide us with income for our retirement years. If something happened to Peter, I would still be taken care of for the remainder of my life.

Peter and Gail decided to make a gift of their appreciated stock to establish a charitable remainder unitrust. They were thrilled at the prospect of creating future income while bypassing capital gains tax.

Peter: When I heard that in addition to the other benefits we would receive a charitable deduction for our gift, it was just icing on the cake! I wondered why everyone nearing retirement doesn't set up a charitable trust.

*Please note: The name and image above is representative of a typical donor and may or may not be an actual donor to our organization. For more information, contact Eileen Fitzenreiter at 419-599-0213 or Eileen.Fitzenreiter@lfnd.org