Provided by Hesston College in association with Everence Foundation

Gifts of securities

A way to support charity and save on your taxes

Many people who own stocks or shares in mutual funds have watched the value of their investments increase. But now they face a problem – how to turn their investments into cash without losing a large portion of their gains to taxes. One answer is to donate all or a portion of your investment to Hesston College.

How it works

You donate stocks, shares in a mutual fund or other securities to Everence Foundation. Your contribution is turned into cash, which then can be put into a donor advised fund, a gift annuity or a charitable trust. Your gift represents an irrevocable contribution to Everence Foundation and is not refundable.

If your donation is placed in a donor advised fund, the money is available for distribution to Hesston College at any time you wish. If your donation is placed in a charitable trust or gift annuity, payments from the trust or annuity will be paid to you or your beneficiary as long as you live. The balance of the trust or annuity will be transferred to Hesston College upon your death or the death of your beneficiary.

Assets contributed to the donor advised fund, gift annuity or charitable trust become the property of the foundation, and the donor retains no legal control over the gift. Instead, the donor is entitled to give non-binding advice to the foundation about distribution of the funds.

How to give a gift

You may give a gift of securities by mail, hand delivery or through a broker. If your donation is to a donor advised fund, Everence Foundation will make disbursements from the fund based on your recommendations to Hesston College. Checks are generally mailed out within two business days after recommendations are received or approved. A letter is mailed with the check explaining the gift.

If your gift is made to a charitable trust or gift annuity, Everence Foundation invests your donation according to its stewardship investing guidelines. You and/or your beneficiary receive regular payments until your death or your beneficiary's death. The balance of the trust or annuity is then distributed to Hesston College.

We'll describe the process using stocks and mutual funds as examples.

Advantages

- **Get an immediate tax deduction.**
- **Avoid capital gains tax.**
- **We convert your securities to cash.**
- **We handle all paperwork and record keeping.**

Hesston College
Jen Lehman
Development Officer
Hesston College
301 S. Main St.
Hesston, KS 67062
620-327-8157
jennifer.lehman@hesston.edu

Everence Foundation
Mark Diller, CGPA®, AIF®
Regional Director
Everence® Financial
3179 N. Main St. Suite 1B
North Newton, KS 67117-9005
877-467-7294, ext. 4757
316-283-3800, ext. 4757
mark.diller@everence.com

HESSTON COLLEGE
START HERE, GO EVERYWHERE

Everence®

How to transfer stock or mutual fund shares

By mail or hand delivery

You should date and sign one Stock Power for each stock certificate and one Disclaimer Form for each stock issue. The forms are available from your Hesston College representative. A Disclaimer Form also can be a letter signed by you. Your signatures must be guaranteed by a commercial bank officer or stock broker.

You should place the stock certificate (not endorsed) in one envelope and the Stock Power and Disclaimer Form (with signature guarantees) in another envelope and mail them to Everence Foundation, 1110 N. Main St., PO Box 483, Goshen, IN 46527. The gift is completed on the date you placed the stock certificate and Stock Power and Disclaimer Form in the mail.

You also may hand deliver the documents to your Hesston College representative. The gift is completed when the documents are in the possession of Everence Foundation.

Through a broker

The stocks also may be delivered to a broker, but the delivery date will be when your broker delivers the stock to Everence Foundation.

If your stock is registered in street name, the date of delivery is when you can no longer legally revoke transfer. There can be delays in the date of transfer.

Transfer of mutual fund shares

You write a letter to the mutual fund company asking it to transfer shares to a new account as a charitable gift for Everence Foundation. The letter must have your guaranteed signature when it is mailed to the mutual fund company. Everence Foundation may need to set up an account with the mutual fund company prior to receiving the gift. The gift date is the date the mutual fund company transfers shares to the Everence Foundation account.

What Hesston College receives

We are delighted to receive gifts funded by stock or mutual fund shares through Everence Foundation because it often makes the process easier for donors.

What you receive

You receive a charitable contribution tax deduction for the fair market value of your gift of stocks or mutual fund shares you have owned more than one year. You can use your deduction up to 30 percent of your gross adjusted income in the year of your gift with a five-year carryover for any excess amount. You also avoid tax on any capital gains you have realized. In addition, you receive an annual statement of your fund donations. If your gift establishes a charitable trust or gift annuity, you or your beneficiary receive payments during your lifetime. And you get the satisfaction of knowing that Hesston College will benefit from your generosity.

Act today!

Contact us and we'll show you exactly how donating stock or mutual fund shares can work for you and the tax benefits you would receive.

A case study

Steve and Linda Carney have owned shares of stock for 15 years. They would like to sell their shares, but the value of the stock has increased greatly since they made their initial investment. Their capital gains would be subject to income tax. The Carneys also would like to make a contribution to their local church and to several other charities they support.

The Carneys donate their stock to Everence Foundation for a donor advised fund. The foundation then sells the shares and places the cash proceeds in the donor advised fund. The Carneys get an immediate charitable income tax deduction and avoid tax on the capital gain.

After the sale of the stock, the Carneys recommend disbursement of half the money to their church. They recommend that the remainder be used for regular contributions to a college and other charities over the next few years.