



## Circuit Rider Dispatch



Holston Conference of the United Methodist Church Foundation, Inc.

### Charitable Giving By the Numbers

According to *Giving USA*, 32% (\$101.54B) of all charitable gifts went to religious causes and organizations in 2012. Such a high percentage of total giving going to one category suggests two logical conclusions about the Church: 1. giving people the opportunity to give each week must be effective; and 2. people must strongly believe in the work of the Church.

Bequest giving is a totally different story. Only 5.6% of bequest gifts each year goes to religious causes! This large discrepancy in overall giving indicates two things as well: 1. the Church is not asking for estate gifts as effectively as other categories such as higher education or healthcare-related causes, or 2. we do not articulate the vision of what an estate gift can do for the local church.

The Holston Conference Foundation helps individuals to not only structure the best gift (not all planned gifts are endowments) that continues the work of the church or targets a designated need or ministry. We provide donor agreements and free consultation to those who want to discuss their hopes, dreams, fears and vision that usually accompanies legacy gifts. The Foundation also empowers local church leadership to properly steward bequests and to share the vision of how bequests and other planned gifts can strengthen and foster a church and its ministries.



The gap between 32% and 5.8% needs to close as we are facing an aging congregation and thus the greatest transfer of wealth this country will ever experience. Currently 7% of all charitable giving is received through bequests and this number is expected to DOUBLE to 14% in the next 10 years as our population ages. The question is this--what do you want to accomplish with either your legacy giving or as a leader in your church? We are here to not only help you answer that question but to fulfill the vision God has given you, your church and the Holston Conference of the United Methodist Church.



#### PERSONAL PLANNER

##### Gifts of Cash

Sara: "We had a pretty good year this year. After all the financial changes last year, we decided it was a good time to be more careful." [Read More](#)

#### SAVVY LIVING

##### 2014 Tax Season Filing Requirements

What are the IRS income tax filing requirements this tax season? My income dropped way down when I retired last year, so I'm wondering if I even need to file a tax return this year. [Read More](#)

## YOUR PLAN

### Bob Hudson

On October 14, 2008, Bob Hudson was the special guest of Walt Seaman... [Read More](#)

## WASHINGTON NEWS

### IRS Top Tax Scams

Each year the IRS publishes the "Dirty Dozen" tax scams. A February 19 letter from IRS Commissioner John Koskinen listed multiple potential scams that could victimize American taxpayers. [Read More](#)

## FINANCES

**Stocks** - Coca-Cola Reports Disappointing Earnings [Read More](#)

**Bonds** - Treasury Yields Fall Slightly [Read More](#)

**CDs and Mortgages** - Interest Rates Inch Higher [Read More](#)

### Gifts of Real Estate to Your Local Church and the Capital Gains Tax

The long-term federal capital gains rate for middle-income persons is 15%. New to 2014, for single persons with adjusted gross income (AGI) over \$200,000 and married couples with AGI over \$250,000, there is a 3.8% Medicare tax on capital gains. Taxpayers who are in the top 39.6% bracket also have an added 5% on the capital gains rate. The total basic rate for upper-income persons is 23.8%.

The "upper-income person" also has various phase-outs that affect the rate. With the phase-out of the personal exemption and the 3% floor on itemized deductions, the Tax Foundation calculates a 25% total federal rate.\*

**The bottom line is this...**when making a major gift to your church or favorite charity; consider the tax-favorable gift of an appreciated asset that would normally be subject to a capital gains tax. By giving real estate through a FLIP, Charitable Remainder or other form of a trust, you can potentially avoid costly taxes. You can also provide a lifetime of income for you or your loved ones while supporting your local church or favorite ministry.

The Holston Conference Foundation is available to discuss your options and can provide personalized illustrations to help you better understand the benefits. We can also help you structure the gift to meet your personal goals that reflect your specific interest and passion for ministry.

We are only a phone call (1-866-690-4080) or an [email](#) away!

*\* The Tax Foundation is a nonpartisan Washington organization that reviews federal and state tax policies. More information including source can be found by clicking [here](#).*

