

Donating Stocks & Securities

Reduce your capital gains taxes by gifting a highly appreciated security at its present market value to GISNY.

Why give stock instead of cash?

cash donations

When you donate cash to GISNY, we give you a receipt and you get to deduct the amount donated from your taxable income and thereby reduce your tax.

For instance, if you pay 30% tax, a \$1,000 donation means you get to deduct \$1,000 from your taxable income and save the 30% tax you would normally have paid on that income, or \$300. In other words, you donated \$1,000 but got \$300 back from the government.

stock donations

When you donate stock worth more than what you originally paid for it (“appreciated securities”), you get to deduct the full value of the stock as of the day you donated it from your taxable income. You do not have to pay the capital gains tax on the difference between what you paid and the value today. The same donation of stock can save you more in taxes than one of cash.

For instance, let’s assume you own 100 shares of ABC Company that you bought for \$5 per share, or \$500 in total. Let’s also assume that they are now worth \$10 per share, or \$1,000 in total, and you donate them to GISNY. You will receive a receipt for the \$1,000, just as if you had donated \$1,000 in cash. You now get to deduct \$1,000 from your income and save the tax you would normally have paid on that income: 30%, or \$300. Just like in the example above, you get \$300 back on your taxes. However, you only paid \$500 for the stock in the first place. So your out-of-pocket isn’t \$700 but just \$200 (\$500 paid - \$300 gotten back = \$200). In this example, you make a \$1,000 donation at a cost to you of only \$200.

Normally, if you sold the stock first, you would have to pay 30% tax on the gain and have only \$850 of cash left.

(\$1,000-\$500=\$500 gain, then, 30% tax on the \$500 gain = \$150 tax, so \$1,000-\$150=\$850 cash left). However, by donating stock, you avoid the capital gains tax and can donate more (\$1,000 instead of \$850).

Here is how it works:

Just contact your broker that has your securities account – they can transfer it for you. Please provide your broker the “DTC number 0226” and reference the GISNY account information below. Also, fill out and submit the GIFT OF STOCK FORM to let us know it’s coming so we can get you the receipt. The account to which securities should be transferred is:

Bank Name: Fidelity Investments **Account Type:** Brokerage

Account Number: Z40304265 **DTC Number:** 0226

Account Name: German Int'l School New York

Still have questions? Please contact us at **+1 914 948 6513** or email to:
busmgr@gisny.org