

PARTNERS IN PHILANTHROPY

A note from Kimberly Kur, JD, CAP® | ACF Chief Development Officer:

The Partners in Philanthropy eNewsletter is one of the many resources the Arizona Community Foundation offers for its network of professional advisors.

As the year draws to a close, ACF would like to remind you that we have the philanthropic expertise and local knowledge of the nonprofit community to help you and your clients maximize tax benefits and charitable impact this holiday season.

6 Tips for Year-End Giving

Partnering with ACF at year-end can help enhance your client relationships. When we combine our knowledge and expertise with yours, we can craft a customized charitable giving plan for your clients. Here are some tips for maximizing tax benefits at the end of the year:

1. Consider a bunching strategy.

Clients can benefit from a charitable tax deduction by prefunding a donor advised fund, combining multiple years of intended gifts into one year for tax planning. Grants can be made over time to the charities of your client's choice.

2. Use required IRA distributions for giving.

Clients who are 70½ years of age or older may direct up to \$100,000 of their traditional IRA each year by making Qualified Charitable Distributions to support charitable causes. Beginning at age 73, these QCDs can offset required minimum distributions, thereby lowering their taxable income. Learn more about [qualified charitable distributions](#).

3. Rebalance investment portfolios by donating highly appreciated securities to a donor advised fund.

No capital gains tax will be assessed on the donation and your client will be eligible for a full fair market value tax deduction, subject to AGI limitations, all while diversifying their investment portfolio. They can then make grants over time, availing themselves of ACF's philanthropic resources and community expertise.

4. Consider non-cash asset gifts.

When donating gifts of non-cash assets to a fund at ACF prior to a liquidity event,

clients can maximize charitable tax benefits and be eligible to receive a full fair market value tax deduction, subject to AGI limitations, with no capital gains tax on the gift. Eligible assets include real estate, closely-held business interests, and more. Learn more about [non-cash assets](#).

5. Ensure your clients take advantage of Arizona's tax credits for specific charitable contributions.

For details and more information on qualified charitable organizations, visit the [Arizona Department of Revenue website](#). Additionally, please inquire with our Cochise, Flagstaff, Gila Valley, and Yuma offices on their tax credit coalitions.

6. Give the gift of unrestricted funding.

Lean on ACF's expertise by donating to the [Richard H. Whitney Fund for the Common Good](#) or one of our regional [community funds](#), which benefit community needs both today and in the future.

Year-End Deadlines

Whether your clients are interested in making cash donations to a fund or gifting non-cash assets, there are important [year-end deadlines](#) to ensure their charitable gifts qualify for a charitable income tax deduction in the 2023 tax year.

[Review Deadlines](#)

Resources for Professional Advisors

A variety of tools are available to help you inform your clients and learn more about ACF's charitable giving options. Our partners at [Crescendo Interactive](#) also have guides, videos, brochures, and calculators to augment your clients' charitable giving.

[Access Resources](#)