

# 2023 · WHAT ISSUES SHOULD I CONSIDER WHEN ESTABLISHING MY CHARITABLE GIVING STRATEGY?

FOUNDATIONAL ISSUES	YES	NO
Have you identified what motivates you to give?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to confirm that your giving is matched to your values?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to establish a giving plan? If so, consider creating a plan to help you decide rationally, make impactful gifts, and respond when solicited for support.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to conduct due diligence on a charity? If so, consider the following: <ul style="list-style-type: none"> <li>Review the charity's mission, leadership, financial health, results, etc.</li> <li>Understand how your gift would be used (e.g., overhead, general fund, specific causes).</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>

CASH FLOW ISSUES	YES	NO
Do you need to quantify how much you can afford to give?	<input type="checkbox"/>	<input type="checkbox"/>
Is your income fluctuating this year? If so, consider how this impacts your tax incentives and ability to make (or forego making) deductible charitable gifts.	<input type="checkbox"/>	<input type="checkbox"/>
Do you want to make a substantial gift to a charity during your lifetime, but also want an income stream for yourself or another noncharitable beneficiary? If so, consider the following: <ul style="list-style-type: none"> <li>If the charity you wish to benefit offers a charitable gift annuity (CGA), you can give cash, securities, and possibly other assets in exchange for a fixed stream of income from the charity for your lifetime. (Note the gift tax consequences if the noncharitable annuitant is not yourself.)</li> <li>A charitable remainder annuity trust (CRAT) can make annual payments of a fixed amount of the trust's assets to you or a noncharitable beneficiary for a term of years (not to exceed 20) or lifetime(s), with the remainder passing to the charitable beneficiaries. (continue on next column)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>

CASH FLOW ISSUES (CONTINUED)	YES	NO
<ul style="list-style-type: none"> <li>A charitable remainder unitrust (CRUT) can make annual payments of a fixed percentage of the trust's assets, revalued each year, to you or a noncharitable beneficiary for a term of years (not to exceed 20) or lifetime(s), with the remainder passing to the charitable beneficiaries.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Do you want to make a substantial gift to benefit a charity for a term of years, but ultimately retain the assets for yourself or your heirs? If so, consider the following: <ul style="list-style-type: none"> <li>A charitable lead annuity trust (CLAT) can make payments of a fixed amount for a term of years, lifetime(s), or a combination thereof, with the remainder passing to noncharitable beneficiaries of your choice (e.g., your heirs).</li> <li>A charitable lead unitrust (CLUT) can make payments of a fixed percentage of the trust's assets, valued annually, for a term of years, lifetime(s), or a combination thereof, with the remainder passing to noncharitable beneficiaries of your choice (e.g., your heirs).</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>

ASSET ISSUES	YES	NO
Do you have highly appreciated securities held for more than one year? If so, consider the following: <ul style="list-style-type: none"> <li>Gifts in kind to a charity allow you to avoid recognition of capital gains while making a gift of the full FMV of the securities as of the date of the gift.</li> <li>The deduction for gifts of capital gain property is generally limited to 30% or 20% of your AGI, depending on the type of charitable beneficiary (e.g., public charity or private foundation, etc.) and the form of the gift.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have other non-cash assets that you would like to donate? If so, be sure to understand the value and deductibility of such assets, as well as the substantiation requirements. (continue on next page)	<input type="checkbox"/>	<input type="checkbox"/>

# 2023 · WHAT ISSUES SHOULD I CONSIDER WHEN ESTABLISHING MY CHARITABLE GIVING STRATEGY?

ASSET ISSUES (CONTINUED)	YES	NO
<p><b>Do you have a traditional IRA, and are you over age 70.5?</b> If so, consider making a Qualified Charitable Contribution (QCD) of up to \$100,000 (per tax year, adjusted for inflation), which would be excluded from taxable income. If you are subject to taking RMDs, a QCD can count toward satisfying your RMD. Note the "first dollars out" rule.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Do you have time and/or skills that you can contribute?</b> If so, you may not take a deduction for the value of your services; however, you may be able to deduct unreimbursed expenses that you incur as a direct result of services you perform.</p>	<input type="checkbox"/>	<input type="checkbox"/>

TAX ISSUES	YES	NO
<p><b>Did/will you make charitable gifts this year?</b> If so, consider the following:</p> <ul style="list-style-type: none"> <li>Any cash gift must be substantiated by financial statements or written confirmation from the charity. Cash gifts of \$250 or more must be supported by a contemporaneous written acknowledgment (CWA) from the charity.</li> <li>Generally, noncash gifts of more than \$500 require a CWA and the filing of Form 8283. Noncash gifts of more than \$5,000 must also be supported by a qualified appraisal (unless an exception applies, e.g., for publicly traded securities, vehicles, etc.). For noncash gifts exceeding \$500,000, the qualified appraisal must be filed with your 1040.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Did you receive anything of value in exchange for a charitable gift?</b> If so, you may take a deduction to the extent that your gift exceeds the FMV of the goods or services you received in return. A charity must provide to you a written disclosure if you make a quid pro quo gift of \$75 or more.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Do you want to make completed gifts for income tax purposes this year, but delay/spread the distributions to charities over multiple years?</b> If so, consider the following:</p> <ul style="list-style-type: none"> <li>A donor advised fund (DAF) allows you to make a gift and take an immediate charitable deduction while delaying delivery of the funds to the charities of your choosing. (continue on next column)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>

TAX ISSUES (CONTINUED)	YES	NO
<ul style="list-style-type: none"> <li>You can use a DAF to "bunch" several years of gifts in one tax year, taking advantage of the itemized charitable deduction when your gifts might have otherwise been covered by the standard deduction. You can then spread the grants from your DAF over future years to smooth the impact to the charities.</li> </ul>		
<p><b>Do you need help determining the deductibility of your gift(s)?</b> If so, consider the following:</p> <ul style="list-style-type: none"> <li>Charitable gifts are itemized deductions (deductible to the extent that they exceed the standard deduction).</li> <li>If your charitable gifts are less than 20% of your AGI, you can generally take a full deduction. Above this threshold, there are several deduction limitation categories, including 60%, 50%, and 30% of your AGI, which may apply depending upon the nature of the charitable gift and beneficiary.</li> <li>Excess deductions can be carried forward for five years.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Does your taxable estate exceed your unused federal estate and gift tax exclusion amount (maximum \$12.92 million or \$25.84 million if you are married)?</b> If so, consider incorporating charitable gifts in your estate plan to reduce your federal estate tax liability.</p>	<input type="checkbox"/>	<input type="checkbox"/>

OTHER ISSUES	YES	NO
<p><b>Do you wish to remain anonymous?</b></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Do you need to review your gifting history and impact?</b></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Do you want to impose restrictions on the use of gifted assets?</b> If so, consider earmarking your funds for a specific use, cause, or initiative (provided that you don't jeopardize the gift's deductibility).</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Have you signed a pledge agreement under which you are fulfilling annual promises?</b> If so, consider funding (or pre-funding) your pledges when the market is up.</p>	<input type="checkbox"/>	<input type="checkbox"/>

Southshore Financial Planning LLC is a registered investment adviser offering services in the State of Florida and in other jurisdictions where exempted. Registration does not imply a certain level of skill or training.

This publication is for informational purposes only and is not intended as tax, accounting or legal advice, as an offer or solicitation of an offer to buy or sell, or as an endorsement of any company, security, fund, or other securities or non-securities offering. This publication should not be relied upon as the sole factor in an investment making decision. Past performance is no indication of future results. Investment in securities involves significant risk and has the potential for partial or complete loss of funds invested. It should not be assumed that any recommendations made by the Author, in the future, will be profitable or equal the performance noted in this publication.

All opinions and estimates constitute Southshore Financial Planning LLC's judgment as of the date the information was printed and are subject to change without notice. Southshore Financial Planning LLC does not warrant that the information will be free from error. The information should not be relied upon for purposes of transacting securities or other investments. Your use of the information is at your sole risk. Under no circumstances shall Southshore Financial Planning LLC be liable for any direct, indirect, special or consequential damages that result from the use of, or the inability to use, the information provided herein, even if Southshore Financial Planning LLC or a Southshore Financial Planning LLC authorized representative has been advised of the possibility of such damages.

The information herein is provided "AS IS" and without warranties of any kind either express or implied. To the fullest extent permissible pursuant to applicable laws, Southshore Financial Planning LLC (referred to as "Southshore Financial Planning") disclaims all warranties, express or implied, including, but not limited to, implied warranties of merchantability, non-infringement, and suitability for a particular purpose.

Federal tax advice disclaimer: As required by U.S. Treasury Regulations, you are informed that, to the extent this presentation includes any federal tax advice, the presentation is not written by Southshore Financial Planning LLC to be used, and cannot be used, for the purpose of avoiding federal tax penalties. Use of any information presented by Southshore Financial Planning LLC is for general information only and does not represent individualized tax advice, either express or implied. You are encouraged to seek professional tax advice for income tax questions and assistance.

**Chris Shoup, Southshore Financial Planning LLC**

1600 E 8th Ave., Ste. A200, Tampa, FL 33605

chris@southshorefp.com | 813-406-0544 | www.southshorefp.com