

Sample Tax Calculator

Donations of Appreciated Securities

Donations of appreciated securities offer a higher tax benefit to donors than gifts of cash. Each time an investor wishes to liquidate shares, take the opportunity to calculate the minimum donation (in-kind) required that will offset the tax liabilities on the balance. It may be an ideal time to make a gift and/or grow your Foundation. This Tax Calculator provides a guideline for that decision. Simply input the book and market value of the securities, and the calculator do the rest.

Estimating the minimum donation required to be tax neutral when selling securities

Initial Cost	\$	<i>Entered by client/advisor</i>
Current market value	\$	<i>Entered by client/advisor</i>
VALUE OF DONATED SHARES	\$	<i>Minimum gift required to offset tax liability</i>
Tax credit on donation	\$	
Value of remaining shares	\$	
Realized capital gain	\$	
Taxable capital gain	\$	<i>50% of realized capital gain on remaining shares</i>
Capital gain tax payable	\$	
Net tax payable	\$	
Amount Retained	\$	<i>Should be no further tax payable</i>
Assumptions:		
Qualifying securities		
Assume shares are sold/donated same day		
Top Tax bracket, marginal tax rate:		<i>Enter tax rate in decimal format. e.g. 0.4641</i>
Donation is less than 75% of net income		
Ignore \$200 "deductible" in tax credit calculation		
Ignore alternative minimum tax, and other tax issues		
		<input type="button" value="Clear Form"/> <input type="button" value="Print Form"/>