

Smarter charitable giving with complex assets

When giving back to support your favorite charities, are you using the right assets to make the greatest impact? While cash could fund your charitable giving, non-publicly traded or complex assets in your portfolio often provide a more tax-efficient and impactful way to support your favorite causes. Identifying and contributing your highly appreciated assets to a charity with a donor-advised fund program like Fidelity Charitable® will empower you to make more of a difference. When you're ready to give, work with the in-house team of experts at Fidelity Charitable® to make giving complex assets easier than ever.

Donating complex assets with Fidelity Charitable unlocks benefits for all



Donors

- Give more to charity by minimizing fees and costs
- Reduce tax burden with the potential for an immediate fair market value tax deduction while minimizing capital gains
- Provide support to multiple charities with one transaction



Charity

- Potentially receive larger, impactful gifts from donors
- Avoid costly overhead and work involved with diligence and oversight requirements
- Empower their charitable mission and potentially grow donor base



Advisors

- Provide unparalleled value to clients by identifying the most powerful, tax-efficient giving strategy
- Leverage Fidelity Charitable to significantly simplify the process across all stakeholders
- Unlock new asset opportunities, and provide investment guidance once assets are liquidated

The Complex Asset Group

Once you've identified the most effective giving strategy, our in-house team of experts provides you with guidance in support of complex asset donations at no additional cost. With expertise based on processing more than \$7.4 billion in complex assets since inception and annually reviewing more than 500 opportunities each year, our team has a wealth of experience with a wide variety of transaction types. This leadership enables us to:

- Simplify the process of contributing highly appreciated non-publicly traded assets
- Guide the entire asset transfer process
- Help to realize the most favorable tax consequence with the greatest charitable impact
- Work with donors and advisors to prepare and plan for contributions of assets in advance of a liquidity event

Types of complex assets

- Private company C-corp stock
- Private company S-corp stock
- LLC and limited partnership interests
- Restricted stock
- Bitcoin and other cryptocurrencies

Our process

Take advantage of the most powerful strategies to reach your charitable goals. When identifying the right complex asset to give to charity, you can depend on us to make the contribution process easy. For proposed contributions, we'll follow this process to ensure a smooth and expedient transition:

- 1** Advisor or donor can work with Fidelity Charitable to prepare a plan for contributions.
- 2** Donor agrees to the Fidelity Charitable policies and procedures related to complex asset contributions by signing the Complex Asset Contribution Form.
- 3** Fidelity Charitable reviews and completes due diligence.
- 4** If Fidelity Charitable agrees to accept the asset, donor makes an irrevocable charitable contribution by legally transferring the asset.*
- 5** Fidelity Charitable sells the contributed asset at its discretion.†
- 6** If applicable, Fidelity Charitable will escrow a portion of the gross proceeds for Unrelated Business Income Tax (UBIT, the actual tax liability), deduct costs generated by the contribution and deduct any administrative fees for the period of illiquidity.
- 7** Net proceeds are allocated to donor's Giving Account®, and donor may begin recommending grants immediately.

Key considerations

Due diligence

Before accepting the asset, we will perform an in-depth and comprehensive review of all facts and circumstances related to the legal transfer of the asset to Fidelity Charitable, the impact of Fidelity Charitable owning the asset and the liquidation strategy.

Marketability

We must be able to find a purchaser, unrelated to the donor, and must be able to sell the contributed asset for a reasonable price within a reasonable period of time.

Carrying and other costs

We generally do not charge a transaction fee to handle complex asset contributions. We will evaluate carrying and other costs, including but not limited to certain liquidation costs, taxes, tax accounting and legal fees, which may be deducted from the donor's Giving Account.

Liabilities

We generally will not incur actual or contingent liabilities with respect to the asset. If we incur liabilities (e.g., UBIT, post-closing cost adjustments, etc.), we will escrow a portion of the proceeds received in the sale of the asset to account for and pay these liabilities.

Want to learn more or ready to get started? Connect with a [Charitable Planning Expert](#) or visit [our website](#).

*Donor obtains a qualified appraisal for the fair market value of the asset and reports same to the IRS on IRS Form 8283.

†If Fidelity Charitable sells the asset within three years from receipt, it reports to the IRS on IRS Form 8282 the amount received in the sale.

Refer to the Fidelity Charitable Complex Asset Contribution Form for more information related to the acceptance of complex assets, including escrow policies.

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