



YEAR-END CHARITABLE GIVING

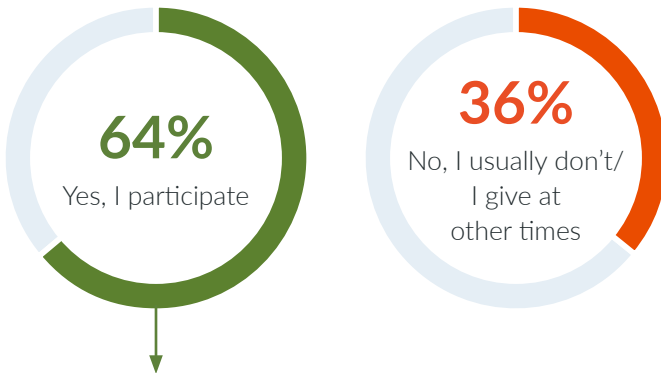
A 2021 snapshot of how Americans plan to give

Nine tips to maximize impact and potentially minimize taxes in 2021

As we approach the last month of 2021—a time of year that for many is synonymous with giving—how are Americans planning to support their favorite causes and take advantage of possible charitable tax benefits this year? Check out the key findings of a study conducted among a general population of Americans, with a deeper dive among investors giving \$1,000 or more each year.

Charitable giving is a deeply entrenched holiday tradition for two-thirds of Americans—and they are planning a variety of philanthropic activities in 2021.

Do you participate in charitable activities at year-end?



GIVING TIP #1

Search for a match

Many employers and charities alike sponsor charitable gift matching programs or campaigns at year-end, which can increase your impact with no additional out-of-pocket costs. Be careful to note any eligibility requirements for the program to ensure the maximum gift.

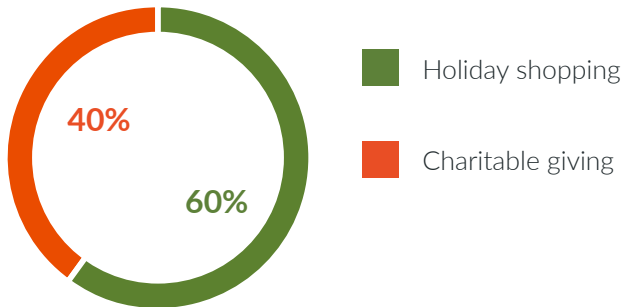
Which ways do you plan to be charitable this year?

Give money to charities	53%
Donate goods to charities	46%
Donate money/goods directly to individuals/families in need	27%
Perform random acts of kindness	25%
Volunteer	20%
Participate in charitable activities through a faith-based organization	19%
Participate in a charitable experience with family	17%
Purchase gifts from charities or socially responsible businesses	16%

Base: Americans who participate in charitable activities at year-end.

Most Americans who give will delay taking action on their charitable plans amid competing year-end priorities.

Which do you expect to finish first this year?



Base: Americans who participate in charitable activities at year-end.

GIVING TIP #2

Don't hesitate

A donation must be made by December 31 to be eligible for a 2021 income tax deduction. Keep in mind that non-cash assets could take additional time to process, so don't wait to get started.

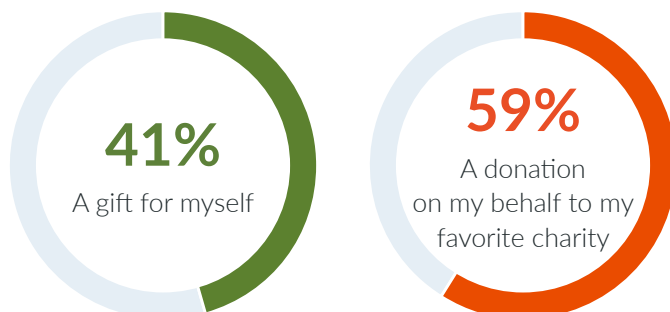
GIVING TIP #3

Consider a donor-advised fund

A donor-advised fund is a type of dedicated charitable investment account that can help you avoid the scramble and simplify the end-of-year giving process. You can make a single donation of cash, stock or many other assets to be eligible for an immediate tax deduction. The funds can then be used to support charities over time—and invested for the potential of tax-free growth while you decide.

In 2021, nearly 60 percent of Americans say they would rather receive a donation to their favorite charity instead of a gift for themselves.

“This year, I would rather receive...”



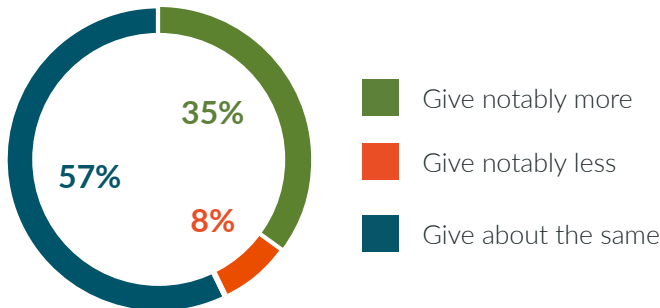
GIVING TIP #4

Consider charitable gifting

For the loved one who has it all—and to avoid challenges related to the supply chain or shortages—consider making a charitable donation on their behalf to support their favorite cause or nonprofit. And if you'd prefer to give a traditional gift, consider purchasing from charities or from businesses with a social or charitable benefit.

Charitable investors remain committed to philanthropy—with more than 90 percent planning to maintain or even increase their donations in 2021.

Which do you plan to do in 2021 compared to 2020?



Base: Charitable investors, defined as adults in the U.S. who have a minimum of \$25,000 in investable assets and who donated \$1,000 or more to charity in 2020.

Despite their heightened focus on giving, most charitable investors do not take advantage of more strategic methods of giving.

Methods of charitable giving

Cash, checks or credit cards



Donating appreciated assets, such as publicly traded securities



Donating appreciated assets, such as privately held or restricted stock



Qualified charitable distribution from an IRA



Donor-advised funds



Base: Charitable investors.

GIVING TIP #5

Think beyond cash

Investors are subject to capital gains tax upon the sale of long-term appreciated assets—and after a year of strong returns in the stock market, many investors are left with significant appreciation. Donating assets other than cash to charity—such as securities in your brokerage account, company stock options or cryptocurrency—can help minimize your capital gains tax and leave you with more to give to charity. Keep in mind that complex assets could take additional time to process, and donations must be received by December 31 to be eligible for a tax deduction this year.

Nearly 60 percent of charitable investors experienced significant financial events in 2021—and half of those who did expect to feel tax consequences.

In 2021, did you experience or anticipate experiencing before year-end a significant event that will have a positive impact on your finances?



GIVING TIP #6

Try “bunching” charitable donations

If it doesn't make sense to itemize your tax deductions—or if you are having a high-income year—consider the tax-smart “bunching” strategy, where you make multiple years’ worth of charitable gifts in a single year to potentially increase giving and tax savings. Consult a [tax savings calculator](#) to see how this strategy could work for you.

Received a bonus	22%
Received a salary increase	21%
Significant market gains in stocks held outside retirement accounts	20%
Took a required distribution from a retirement account	17%
Received a significant financial gift or inheritance	11%
Sold an investment property	8%
Received any other financial windfall	5%
Sold a business	4%

Base: Charitable investors.

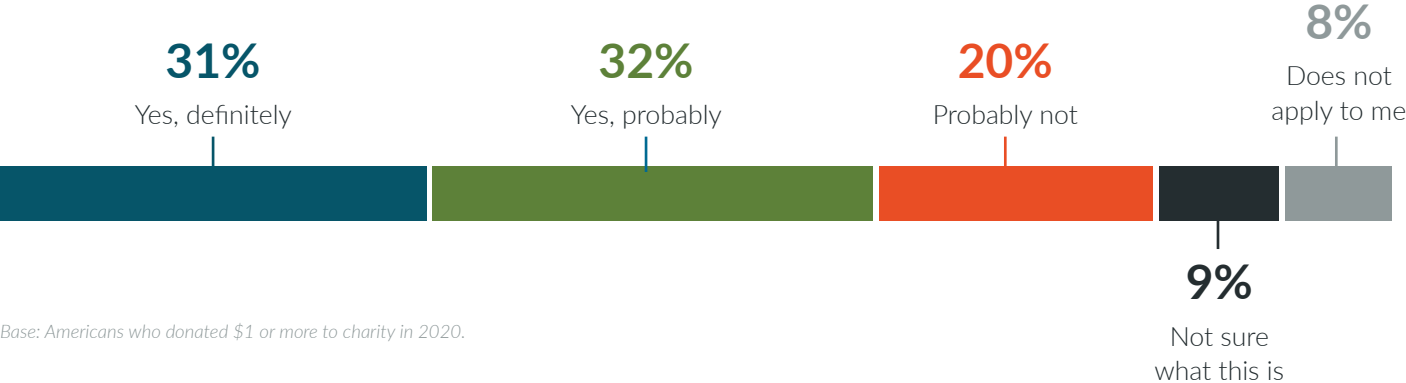
Do you anticipate that the financial event will have an impact on your taxes?

Yes, I think I will owe more in taxes	50%
No, I think I will owe the same or less in taxes	36%
Not sure what impact it will have on my taxes	14%

Base: Charitable investors who experienced or expect to experience a significant financial event in 2021.

Nearly two-thirds of Americans who give plan to take advantage of a temporary federal law allowing tax deductions for some cash donations even if the taxpayer doesn't itemize their taxes.

Do you plan to take the temporary charitable tax deduction for non-itemizers in 2021?



GIVING TIP #7

Take advantage of unique 2021 opportunities

In late 2020, a stimulus package was signed into law that extended many provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and also created additional charitable opportunities. The law includes increased tax incentives for some cash donations, including a deduction for non-itemizers of up to \$300 for single taxpayers and \$600 for those married filing jointly. Make sure you take advantage of these [temporary opportunities to save](#).

GIVING TIP #8

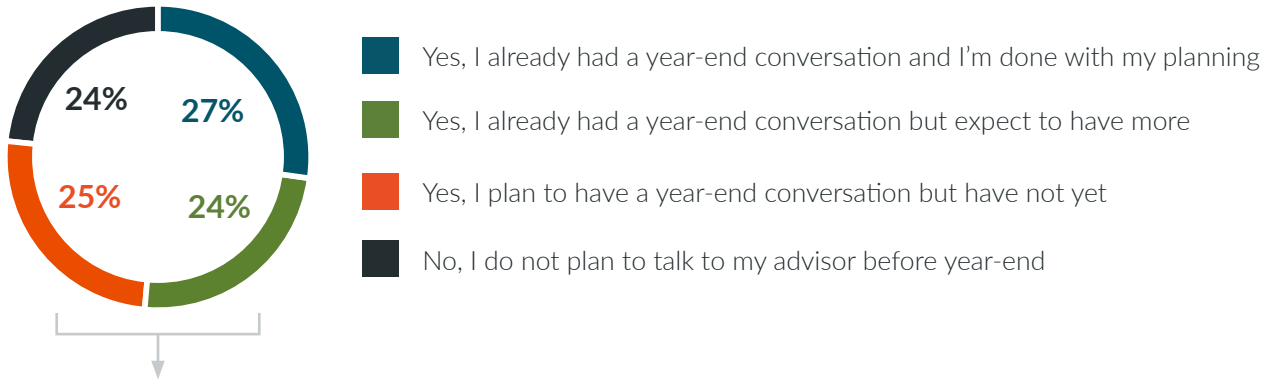
Look to the future

The Biden administration has proposed several key [tax reforms that could affect charitable giving](#) if passed. Stay on top of potential legislative changes and review your current tax strategy to make sure you take advantage of existing planning opportunities.

For those who work with a financial or tax advisor, year-end planning conversations are a great time to discuss charitable planning goals and tax strategies.

Do you plan to have a year-end planning conversation with an advisor?

Base: Charitable investors who work with a professional advisor (financial advisor, certified public accountant, attorney, etc.).



What topics are/were on your mind for discussion with your advisor?

Year-end tax planning	49%
Charitable planning/charitable tax strategies	39%
Market gains	34%
Market volatility	31%
Gift, trust and estate planning	29%
Planning for potential tax reform legislation	28%
Required minimum distributions / qualified charitable distributions	28%
Roth IRA conversions	21%
Cryptocurrency	17%

Base: Charitable investors who plan to have or already had a year-end planning conversation with their advisor(s).

GIVING TIP #9

Check in with the experts

Even if you don't usually discuss your charitable giving with a financial or tax advisor, it's a good idea to check in at year-end to ensure you're making the most strategic and efficient charitable decisions for your specific situation.

Need more?

Visit Fidelity Charitable online for more tips to help [supercharge your impact through charitable giving](#).

Methodology

This report is based on a study conducted in October and November 2021 by Artemis Strategy Group, an independent research firm, on behalf of Fidelity Charitable. The study examined year-end charitable giving among 510 adults in the U.S. A second sample examined year-end giving among 1,019 “charitable investors,” defined as those who have a minimum of \$25,000 in investable assets and gave \$1,000 or more to charity in 2020.

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