



Imagine a smarter way to give to charity using appreciated company stock

When you give, you want your charitable contributions to do the most they can—for your charities and for you. A Giving Account[®], the donor-advised fund at Fidelity Charitable[®], provides a simplified approach to supporting charities while maximizing your charitable contributions and tax benefits—an approach that can transform the way you give.

By establishing a Giving Account[®], you can take advantage of a solution that:






- Enables you to support multiple charities, at virtually any time, with a single contribution
- Allows you to take an immediate tax deduction for your contributions—separating the timing of your tax deduction from your charitable support
- Makes it possible for you to contribute stocks, mutual funds, or non-publicly traded assets, such as restricted stock, stock resulting from exercise/vesting of options or RSU that has reached its long term holding period,¹ which other charities may not be able to accept
- Provides an array of investment options, including a program that enables donors to recommend qualified investment advisors to manage charitable assets held in a Giving Account at Fidelity Charitable
- Streamlines your recordkeeping and consolidates tax receipts, all in one online location
- Can be a valuable estate planning tool to support your legacy goals

How it works



The chart below provides a snapshot of the charitable opportunities for equity compensation awards:

Charitable Opportunities for Equity Compensation Awards

	Participant Tax Treatment Upon Exercise/Vesting	Charitable Opportunity	Income Tax Deduction
Vested Restricted Stock Awards (RSAs) & Restricted Stock Units (RSUs) held >1 year*	Ordinary income on difference between fair market value (FMV) at vesting and amount paid for such stock (if any)	 Ideal Elimination of capital gain recognition on difference between FMV at vesting and FMV at date of gift	FMV Up to 30% of Adjusted Gross Income (AGI) with a 5 year carryforward
Stock received upon NSO exercise held >1 year	Ordinary income on difference between exercise price and FMV at exercise	 Ideal Elimination of capital gain recognition on difference between FMV at exercise and FMV at date of gift	FMV if held for > 1 year of exercise Up to 30% AGI with 5 year carryforward
Stock received upon ISO exercise	No ordinary income if held > 1 year of exercise + 2 years of grant (Although spread between FMV of stock upon exercise and exercise price is an Alternative Minimum Tax (AMT) preference item and included in participant's AMT calculation). The sale price, less the exercise price, is taxed as long-term capital gain.	 Good If holding periods are met, elimination of capital gains on difference between FMV at exercise and FMV on date of gift (Potential AMT concerns: participant loses the benefit of higher AMT basis and AMT preference may be lost)	FMV if held for > 1 year of exercise + 2 years from grant Up to 30% AGI with 5 year carryforward
Vested RSAs held <1 year	Ordinary income on difference between FMV at vesting and amount paid for such stock (if any)	 Neutral No advantage over donating after sales proceeds	Lesser of cost basis (market value of stock received at vesting) or FMV Up to 50% AGI with 5 year carryforward
Unvested RSUs	Ordinary income at vesting unless plan provides for deferral upon predetermined delivery date	 None	N/A Unvested RSUs are not transferrable
ISOs	No ordinary income if held > 1 year of exercise + 2 years from grant (although spread between FMV of stock upon exercise price is an Alternative Minimum Tax (AMT) preference item and included in participant's AMT calculation). The sale price, less the exercise price, is taxed as long-term capital gain.	 None	N/A Non-transferrable during participant's lifetime
NSOs	Ordinary income on difference between exercise price and FMV at exercise	 None Donor recognizes ordinary income upon exercise by charity	Generally, company plans to do not permit the transfer of NSOs to charity

* Stock acquired upon the vesting of an RSA/RSU

Learn more about how a Giving Account can help simplify your giving.

Call a Charitable Planning Specialist at **800-682-4438** or visit FidelityCharitable.org.