

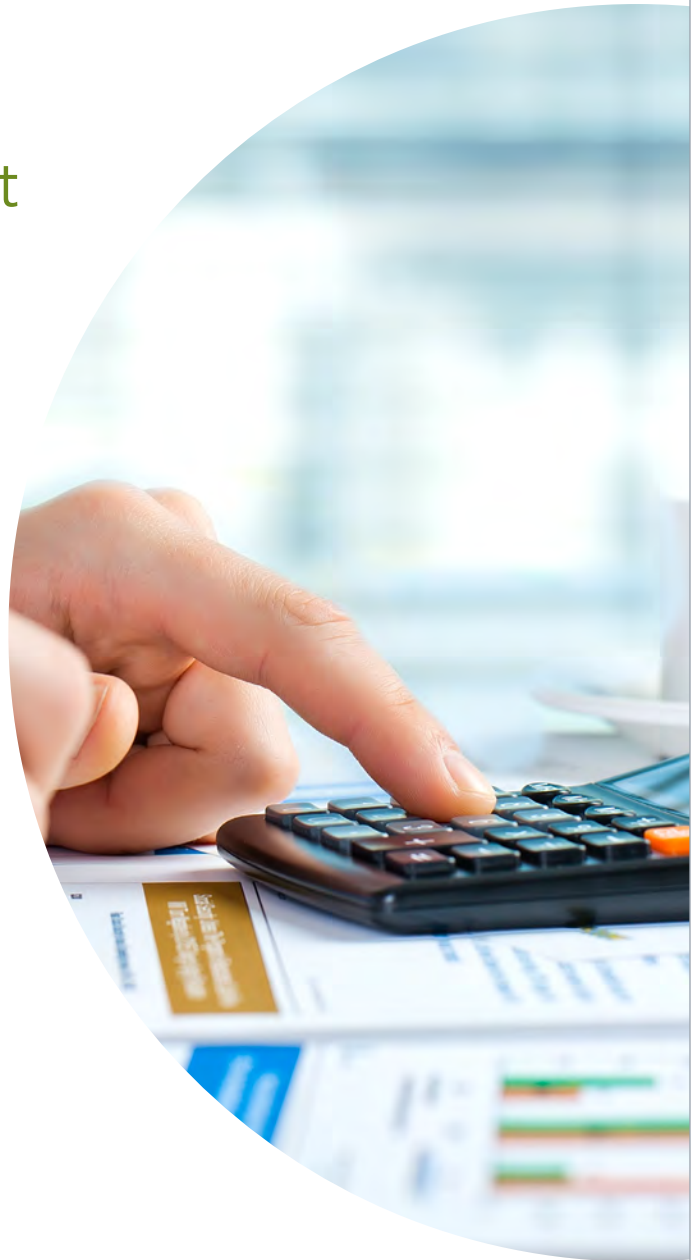


FIDELITY Charitable®
Make more of a difference

Use Your Securities to Make a Greater Impact

Matt and Veronica, a married couple with several successful investments, were thinking of donating a portion of their stock to help fund a wildlife rescue group.

At first, they considered selling the stock and donating the proceeds to the group, because that seemed like the easiest option. Although they had established a private foundation in the past and also considered that option, their advisor pointed out some of the advantages of using a donor-advised fund (DAF) to make the donation instead: the higher tax deduction limitation on the value of their securities, for starters.



Potential benefits of contributing long-term appreciated securities directly to Fidelity Charitable®

- Provide more money to charities
- Minimize capital gains tax exposure
- Take a tax deduction

Maximize Your Charitable Giving



Their advisor noted that the tax deduction for giving their stock to the foundation would be limited to 20 percent of their adjusted gross income, while for a public charity with a DAF program the deduction limit was 30 percent – a significant difference.

Additionally, since Matt and Veronica were very private when it came to their philanthropy, they appreciated the ability to give anonymously with a DAF since it afforded them an extra level of privacy.

Reach Rewarding Results

Best of all, Matt and Veronica were able to lower their tax exposure and recommend a larger grant from their DAF than they would have been able to if they had sold the shares as they originally planned.

By contributing the shares to Fidelity Charitable®, they reduced their tax obligation by \$49,837 and were able to donate \$35,700.

Matt and Veronica reduced their tax obligation by:

\$49,837

Additional amount dedicated to charity:

\$35,700

Simplify Your Charitable Giving



Using their DAF as a complement to the private foundation also presented Matt and Veronica with the opportunity to support an organization that had not traditionally been their foundation's area of focus. They simply contributed the securities to Fidelity Charitable and then submitted an online grant recommendation to support their chosen organization, freeing up their foundation manager to focus on their other philanthropic goals.

Interested in Doing Something Like This?

If a donation scenario like Matt and Veronica's sounds like it could fit your personal situation, know that Fidelity Charitable has the experience and technical expertise to help. Fidelity Charitable can:



Simplify the process of contributing long-term appreciated securities



Help realize the most favorable tax consequences with the greatest charitable impact



Guide the entire asset transfer process



Work with you and your advisors to determine which securities might be best to contribute

**To learn more, please contact your financial advisor
or Fidelity Charitable at 800-952-4438.**

Information provided is general and educational in nature. It is not intended to be, and should not be construed as, legal or tax advice. Content provided relates to taxation at the federal level only. Availability of certain federal income tax deductions may depend on whether you itemize deductions. Rules and regulations regarding tax deductions for charitable giving vary at the state level, and laws of a specific state or laws relevant to a particular situation may affect the applicability, accuracy, or completeness of the information provided. Charitable contributions of capital gain property held for more than one year are usually deductible at fair market value. Deductions for capital gain property held for one year or less are usually limited to cost basis. Consult an attorney or tax advisor regarding your specific legal or tax situation.

By The Numbers

Selling Matt and Veronica's Securities Versus Donating



Original cost of securities².....\$300,000
 Matt and Veronica's federal long-term capital gains rate³.....23.8%

Matt and Veronica sell the securities and donate the proceeds



Matt and Veronica donate the securities to Fidelity Charitable®

Fair market value of securities..... \$450,000
 Long term capital gains tax paid..... \$35,700
 Charitable contribution / your charitable deduction..... \$414,300

Fair market value of securities..... \$450,000
 Long term capital gains tax paid..... \$0
 Charitable contribution / your charitable deduction..... \$450,000

Matt and Veronica reduced their tax obligation by⁴:
\$49,837

Additional amount dedicated to charity:
\$35,700

1 Amount of the proposed donation is the fair market value of the appreciated securities held more than one year that you are considering to donate.
 2 Total Cost Basis of Shares is the amount of money you have invested in the shares of a particular fund or individual security. It represents the basic dollar amount that, when compared to the price at which you sell your shares, tells you how much of a capital gain or loss you have realized.
 3 This assumes all realized gains are subject to the maximum federal long-term capital gain tax rate of 20% and the Medicare surtax of 3.8%. This does not take into account state or local taxes, if any.
 4 Assumes no unrelated business taxable income (UBIT) and top ordinary income tax rate of 39.6% for valuing charitable deduction. Total Donor Tax Savings reflects the federal income tax deduction less any long-term capital gains tax paid. It does not account for any state and local taxes, alternative minimum tax, or limitations to itemized deductions that may be applicable to tax payers in higher federal income tax brackets.

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