

## Unitarian Universalist Church of the Monterey Peninsula

### Making Donations Through Transfer of Appreciated Securities

When members and friends donate appreciated securities to the church, whether bonds or shares of stock or mutual funds, it's called an "in-kind" transfer, and it is a win-win situation!

As the donor, you may be able to take a tax deduction for the full current value of the transferred securities, which the church then sells in a tax-exempt transaction.

If you were instead to first sell the securities when held in a non-retirement investment account and then just donate the cash proceeds to the church, you would likely be required to pay the capital gains taxes due on the sale of the stock, shares, or bonds.

Fortunately, transferring shares to UUCMP's brokerage account is easy. Here are the steps:

#### For Transferring Shares of Stock or Bonds

1. The church has a brokerage account with Vanguard Brokerage Services. If you also have an account with Vanguard, there is usually no charge for transferring the stock shares or bonds (i.e., "internal gifting"). You (or your broker) can move shares directly from your Vanguard brokerage account to the church's Vanguard brokerage account.
2. If your account is with another brokerage firm, you will need to contact your broker and request a transfer form (i.e., for "external gifting"). Other brokerage firms may or may not charge a fee for such transfers. The transfer form will request information about where to transfer the securities. Here is the mailing address and other details to use when completing your brokerage firm's transfer form:

**Vanguard**  
**PO Box 982901**  
**El Paso, TX 79998-2901**

Vanguard's Telephone Number: **(800) 992-8327**

Vanguard's Depository Trust Company (DTC) Clearing Number: **0062**

For Benefit Of (FBO): **Unitarian Universalist Church of the Monterey Peninsula**

UUCMP's Brokerage Account Number: **42549416**

UUCMP's Employer ID Number (EIN): **94-1623026**

3. When a stock or bond transfer has been completed, Vanguard does not notify us of the source of the securities, so we will have no knowledge that the securities came from you! It is important that you contact Treasurer Robert Brunson [(214) 395-1706, [treasurer@uucmp.org](mailto:treasurer@uucmp.org)] so we will know to be expecting your transfer. Please report: (a) the type of stock or bond being transferred, (b) the number of shares, (c) the approximate total value of the transfer, and (d) the date the transfer is expected to be completed.

4. When your securities are received in the church's brokerage account, they will be sold. We will credit your pledge payment or other gift with "the average price between the highest and lowest quoted selling prices for the shares" on the day of the transfer, as required by IRS regulations (See *IRS Publication 561*).

### **For Transferring Shares of Mutual Funds**

1. Contact your mutual fund and request information on how to make a tax-free transfer of shares to a charity (i.e., "external gifting"). They will direct you to the appropriate transfer form online or mail one to you to complete.
2. Immediately contact Treasurer Robert Brunson [(214) 395-1706, [treasurer@uucmp.org](mailto:treasurer@uucmp.org)] so we can make arrangements to receive your mutual fund-shares donation.

The church may need to open an account for the mutual fund from which you are transferring the shares, but this is not a problem for us. Please tell us (a) the name and telephone number of your fund family (e.g., *Charles Schwab* or *Fidelity Investments*), (b) the exact name of your fund (e.g., *Fidelity Growth and Income Fund*), (c) the number of shares you want to transfer, and (d) the approximate total value of the transfer.

3. As soon as the church's new account is in place, we will contact you with the church's mutual fund account number. Then you can instruct your fund to initiate your mutual fund shares transfer to that account.
4. When the actual transfer occurs and the shares have been received in the church's new mutual fund account, the shares will be sold. The value of the shares on the day you donated them will then be credited toward your pledge or gift.

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**If you or your broker have questions or need more information to make your securities transfer to Unitarian Universalist Church of the Monterey Peninsula, please contact:**

**Robert Brunson, Treasurer**  
**Unitarian Universalist Church of the Monterey Peninsula**  
**(214) 395-1706**  
[treasurer@uucmp.org](mailto:treasurer@uucmp.org)

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03/01/2024