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Are You Ready to Supercharge Individual Giving?

Gifts of Assets: The Opportunity

- Individuals give more than 80% of the nearly $600 *billion* in charitable contributions each year. But many nonprofit fundraising appeals only ask for cash gifts.

- 90+% or of household wealth is held in assets (the "big bucket"), not cash

- "Are you only asking your donors to give cash? That's their 'little bucket'…. For most people, giving is a 'disposable income' decision. Disposable income sits in cash. Wealth does not. Wealth lives in noncash assets."
  Russell James, JD, PhD, CFP, Professor of Charitable Financial Planning, Texas Tech University

- Wealth screening and prospect research are unlikely to reveal donors' "stealth wealth." Most household assets are not publicly reported.

- Large individual gifts are almost never cash gifts - they are gifts of assets.

- For many donors, gifts of assets are "tax-smart"

- Reminding donors that they can give from their assets not only unlocks gifts from their "big bucket," it reframes their view of your organization. They start to think in terms of sharing wealth, not just from this month's income.

Does if Work? Two examples from 2025:

  - Wallkill Valley Land Trust: Their first asset 'nudge' was included in an email solicitation and *resulted in a $5,000 gift of stock*.

  - Another local organization sent me this note:
    "Thanks Sally - I updated our language on the website and *almost immediately received a $500 IRA distribution from a first-time donor!* Very exciting."

Gifts of Non-Cash Assets

How they work – For You and Your Donors. (*Not intended as tax, financial, or legal advice)*

Noncash Asset	**Giving Opportunity**	**Restrictions**	**Why it's "Tax Smart"**	**Thank Yous - Always A Good Idea!**
IRAs – the "Qualified Charitable Distribution" (QCD)	$19 Trillion was held in IRA assets in 2025 About 44% of households have an IRA Donors can give up to $111,000/year/person from their IRA	Donors must be 70½ or older The gift must go directly from the donor's IRA to the charity	QCDs are not taxed as income, unlike regular IRA distributions; For donors 73 and older, QCD gifts count towards their "Required Minimum Distribution" (RMD)	No deduction language, but do include: *We acknowledge that this contribution was transferred directly from your IRA custodian, [Name of Custodian]. We confirm that this gift is intended to be a qualified charitable distribution (QCD) and that no goods or services were provided in exchange for this contribution.*
Donor Advised Funds (DAFs) *DAF Research Collective, 2024 data.* *Note: Not all the data has been compiled, but in 2025, giving to DAFs <u>exploded</u> ahead of changes to the charitable gift deductions in the OBBA*	DAFs held $327.87 *billion* in assets, held in more than 3.5 *million* DAF accounts The average DAF size was $91,300 DAF grants totaled $64.60 billion DAF grants represent *nearly one-quarter of all giving* from individuals	DAF assets can only be granted to charities DAF grants cannot be used for quid pro quo gifts (i.e. your rubber chicken dinner ticket with its nondeductible portion)	The donor receives a charitable income tax deduction when they add funds to the DAF. DAF grants do not generate any additional income tax deductions for the donor	Thank the donor, not the sponsoring organization! (e.g. Fidelity, Schwab) Most DAF grants do provide the donor's name and address Be sure to 'soft credit' donor's record in your database Your thank you letter should not include tax deduction language; it should have 'no goods or services'
Appreciated Assets – Stocks, Mutual Funds	62% of US adults hold stocks, mostly in mutual funds and retirement accounts Baby boomers control 53% of stocks	Your organization *must* have a stock account to receive the gift These are not costly to set up or maintain – but you will pay a fee for each gift Best practice is to sell the stock as soon as it's received.	The donor receives an income tax deduction for the full fair market value based on the date of the gift If the donor were to sell the stock, they would owe capital gains tax on its appreciation	The thank you letter must follow the IRS rule for gifts of 'tangible personal property' – describe the gift received, *do not* place a value on the gift i.e. "Thank you for your gift of XX shares of XX stock received on X/X/2026"