

## What types of stocks can be donated to nonprofits?

There are three types of stock that can be donated to nonprofits:

- **Publicly-traded stocks:** These are the most frequently donated non-cash assets because they're widely owned and have publicly known prices.
- **Privately-held stocks:** These often have significantly higher values but require independent appraisals to determine their fair market dollar values.
- **Mutual funds:** These risk-mitigating bundled stocks are a popular option among everyday traders and investors.

## What are the benefits of donating stock for donors?

There are a few key benefits that donors experience when donating stock to a nonprofit.

First, donating stock allows donors to avoid both capital gains and state income taxes that they would otherwise need to pay if they instead sold the stock to donate cash. Additionally, donors can claim a charitable deduction for the current fair market value of their stock at the time of donation. Together, these benefits can represent significant tax savings for donors.

Donating stock also exempts donors from the wash-sale rule, essentially allowing them to repurchase the stock for its current fair market value, reset their shares at a higher cost-basis, and maintain the composition of their portfolios.

## What is our internal policy for the donation of stock?

It is the policy of this organization to liquidate stock immediately upon receipt. The possible transaction cost of this sale is considered small compared to the risk of loss that can be experienced with delay in the sale of the stock. Proceeds from the sale of the stock are considered unrestricted contributed income unless the donor has imposed a restriction as a condition of the gift in which case procedures for accounting for restricted contributions will be followed.

## What are the next steps to donating?

Click [here](#) to be put in contact with someone from our organization to walk you through this process.