



How Tax Reform Impacts My Charitable Giving

An interview with Lee Ann Pearse, MD | Donor to Texas Medical Association Foundation since 2005 | TMA Foundation board member since 2011

For more information about maximizing your gift to TMA Foundation in light of the tax reform—like Lee Ann Pearse, MD has—while still meeting personal financial objectives, contact Lisa Stark Walsh, Executive Director, at (800) 880-1300, Ext. 1666, or (512) 370-1666.

Q: Are you concerned that recent tax reform will affect your charitable giving?

A: I'm still learning about the impacts of tax reform, but I was pleased to learn that you can still deduct your charitable contributions when you itemize your taxes.

Q: Tax reform significantly increased the standard deduction. For example, the standard deduction is now \$24,000 for joint filers. This means that in order to itemize, you must have more than \$24,000 in deductions. What are your thoughts on this?

A: I may consider increasing my charitable donations to ensure I can itemize.

Q: Another strategy is to “bunch” what you would ordinarily donate over two years into one year. Does this sound appealing to you?

A: Yes, this is appealing because it gives me more flexibility to both support Texas Medical Association programs I believe are so critical to improve the health of all Texans and meet my financial objectives in any given year.

We thank you for your time and insight, Dr. Pearse.

Be Savvy When Giving

It may be impossible to live a mistake-free life, but these tips will at least cut down on miscues when it comes to charitable giving.



Poor recordkeeping can create a hassle at tax time—and major headaches if you're audited by the IRS. Keep records of all charitable donations so you can reconcile your deductions if you are itemizing and substantiate your deductions in the event you are audited.



Selling stock and donating proceeds. If you've owned stock for more than a year and it's *increased* in value, donate the stock directly to TMA Foundation. You eliminate capital gains tax and receive an income tax charitable deduction for the full fair market value, when you itemize.*



Transferring savings bonds during your lifetime usually results in taxable income. But if you include a provision in your will to leave the bonds to TMA Foundation, we redeem the bonds free of tax after your lifetime.



Donating a commercial annuity during your lifetime may also result in taxable income. But if you name TMA Foundation as beneficiary of a percentage (1-100) of the annuity after your lifetime, we receive that portion of the annuity tax-free.

**Exception: If it has decreased in value, sell the stock first, then donate the proceeds to us. That way you can take the loss on your taxes and get a potential charitable deduction as well.*



FREE Brochure!

Tax reform has brought changes to income tax brackets, deductions and the estate tax, among other things. We'll help you understand the changes in our new guide **2018 Charitable Giving in the Wake of Tax Reform**. Return the enclosed survey today to request your copy.



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