

Charitable Giving

Creating a Living Legacy



Today's Topics

- **Philanthropy of Giving**
- **Global Giving**
- **American Trends**
- **Ways to Give**
- **Planning for Peace of Mind**





Mark Wiskus, CLU® , CAP® , AEP®



Meet the Team

Why We Give

- Genuine desire to help others
- Social responsibility to society or cause
- Personal connection
- Religious/moral beliefs
- Tax benefits
- Increase happiness/sense of purpose

Global Giving

World Giving Index 2024

- In 2024, 4.3 Billion people gave time, money or helped someone they didn't know – equivalent to 73% of the world's adult population.¹
- US ranked #6 in global generosity.¹
- The most generous regions in the world tend to have greater levels of life satisfaction and civic engagement.¹



THIS YEAR'S BIGGEST RISERS¹

GREECE

+15 points



This year's biggest riser is the country that gave us the word 'philanthropy' (from the Ancient Greek *philanthrōpía*, meaning 'love of humanity').

Greece's index score has been on an upward trajectory since 2013, when the country was in the depths of its sovereign debt crisis. It has a particularly high score for helping a stranger – significantly above the European average and particularly high among young people.

Interviews took place around the same time as the Messenia migrant boat disaster (in which at least 500 people were thought to have died off the coast of Pylos) and during a year that saw a 159% increase in refugee arrivals to the country.¹

THE PHILIPPINES

+13 points



The Philippines saw a substantial increase in generosity during the peak pandemic years. While generosity decreased in 2022, it has returned to the high levels seen in 2021, making it one of this year's top three biggest risers.

The Philippines has an overall score of 47 points and ranks #30 on the index.

SINGAPORE

+12 points



This year sees Singapore enter the top 10 for only the second time, having been on an upward trend since 2018.

In 2023, the country recorded its highest ever scores for donating money and helping a stranger, in addition to achieving the largest increase in volunteering seen in this year's data. Its index score is up 12 points to 61 points.

"In 2023, we saw an impressive rebound in support of civil society organisations in Greece as public levels of trust increased, following a challenging year for the sector.

"Last year also saw the Messenia boat incident that cost the lives of more than 500 people, followed by natural disasters of continued wildfires, and then floods in the Thessaly region. These incidents brought into the spotlight how vulnerable people can be and a desire to demonstrate solidarity.

"This has led to more and more people donating time, money and products. To a smaller degree, we have also seen a positive impact from an increase in the tax incentives when donating to Greek civil society organisations. We are hopeful this trend will continue in the future."

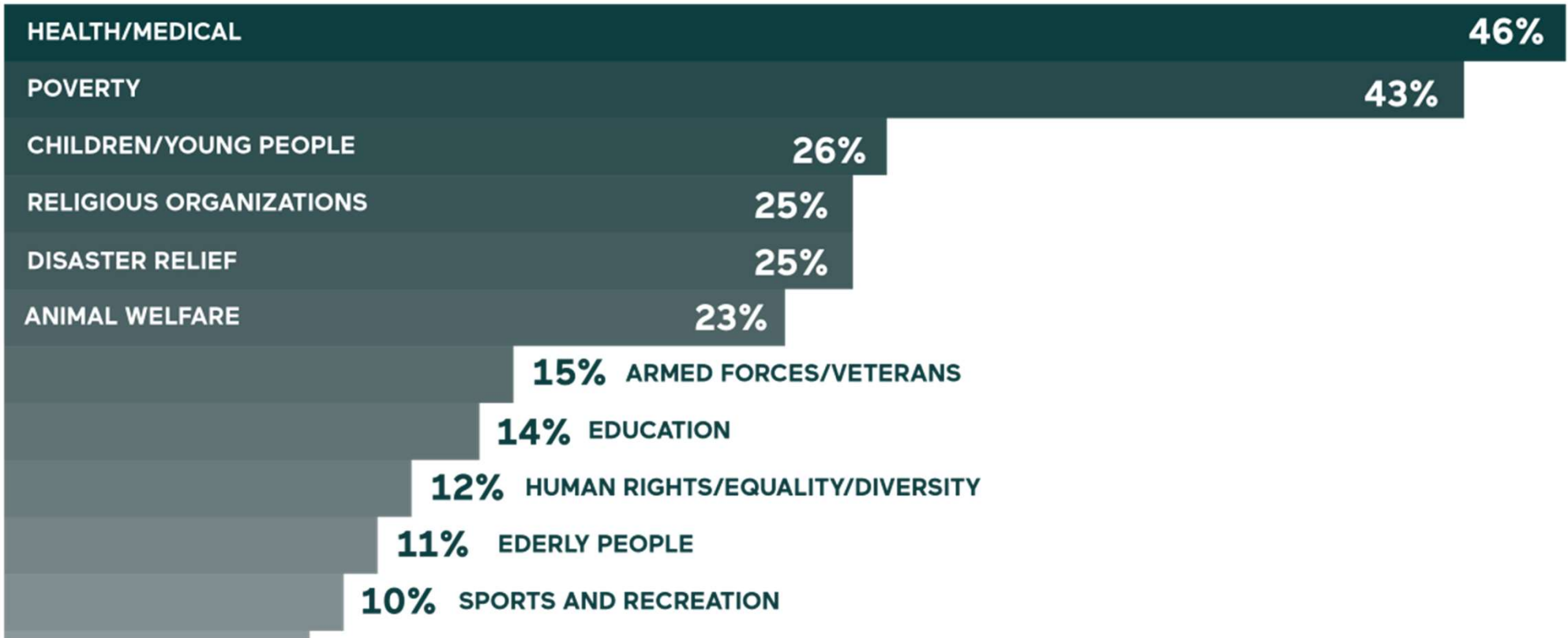
SOTIRIOS PETROPOULOS

Co-founder, HIGGS
(Higher Incubator Giving Growth & Sustainability)²

American Giving

- In 2023, total giving reached \$557.16 billion (down 2.1% from 2022 and 10.5% from 2021).²
 - 67% from individuals (\$374.4 Billion)
 - 19% from Foundations
 - 8% from Bequests
 - 7% from Corporations
- U.S. donors typically support 2-3 types of charity.³
 - More than four-in-ten U.S. donors have or will donate to causes related to health or poverty.⁴
- 97% of U.S. donors primarily focus on domestic causes, 84% prioritize giving within their local communities.⁴





Giving Trends

- For middle income earners, the avg. yearly donation is \$3,296. ⁵
- Average charitable donor is 64 yrs old and makes two donations per year. ⁵
- 85% of affluent households maintained or increasing giving in 2022, with the top motivation as personal values or beliefs. ⁵
- The majority (64%) of donors prefer to give online with a credit or debit card. ⁵
- A typical planned gift is 200 to 200 times the size of a donor's largest annual gift. ⁶



Charitable Organizations

According to the most recent data available from National Philanthropic Trust⁵:

- There are more than 1.8 million recognized 501(c) organizations in the United States.
- In 2023, 501(c)(3) organizations made up the majority of 501(c) organizations in the U.S., with 1.5 million.
- As of 2017, there were more than 12 million people employed in the U.S. nonprofit sector.
- There are approximately 340K religious, 255K educational, 154K human services, 129K arts & culture and 64.5K public-society benefit nonprofit organizations in the U.S. in 2024.

If you looked back at the end of your life, what will the charitable work accomplished by you and your family look like?

What do you want it to look like?

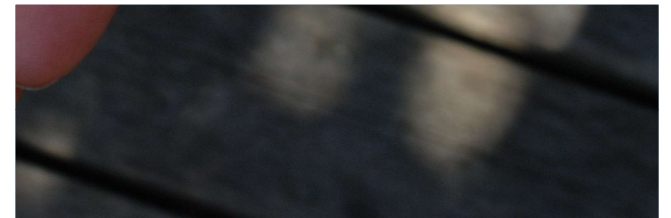
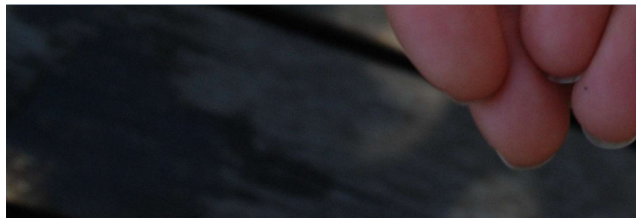
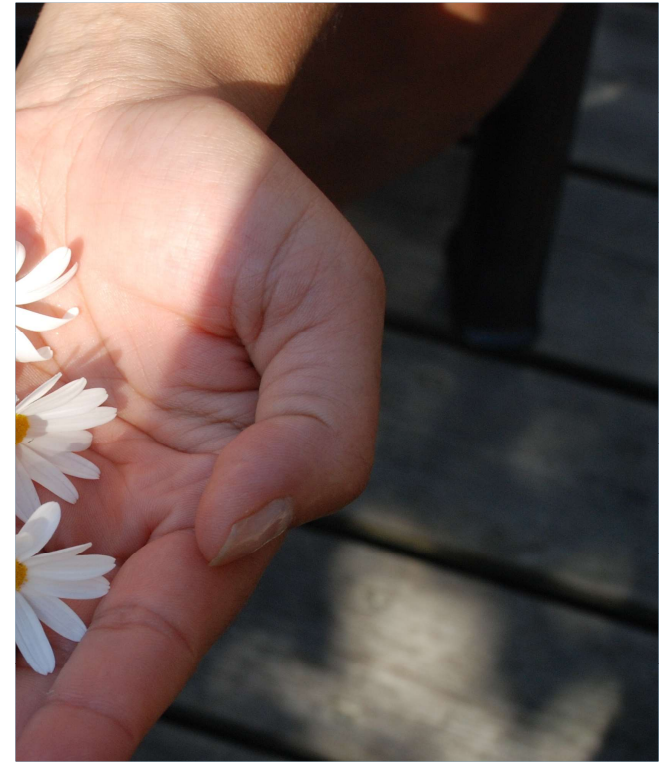
The American Legion of Iowa Charities

- **Boys State** – Iowa's premier citizenship program. A week-long, hands-on youth civics leadership experience in the operation of the democratic form of government.
- **The American Legion of Iowa Foundation** – Organized as a mechanism for the American Legion of Iowa to provide financial assistance in the form of grants and scholarships to promote Americanism, youth programs, veterans' rehabilitation and community service in the state of Iowa.
- **Department Service Office** – Accredited American Legion service officers provide expert assistance, free of charge, to veterans and their families, including the application process for VA disability benefits, information, referrals and resources on education, employment and business, death benefits and other important topics.
- **Veterans Emergency Fund** – Provides one-time grants for veterans experiencing financial hardship. Applicants must be residents of the state of Iowa and be honorably discharged or currently serving in the Armed Forces.
- **Department General Fund** – Providing funds for a variety of programs throughout the year.
- **Your Local American Legion Post**



The 5 “T”s of Giving

- Time
- Talent
- Treasure
- Ties
- Testimony



If you could give away \$100,000 to charity and it would not take away from your life or what you leave behind, who would you give it too?



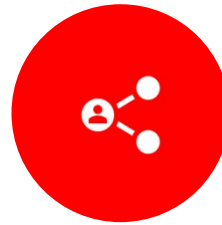
Philanthropic Planning



**WHO DO YOU
WANT TO GIVE TO?**



**WHEN DO YOU
WANT TO GIVE?**

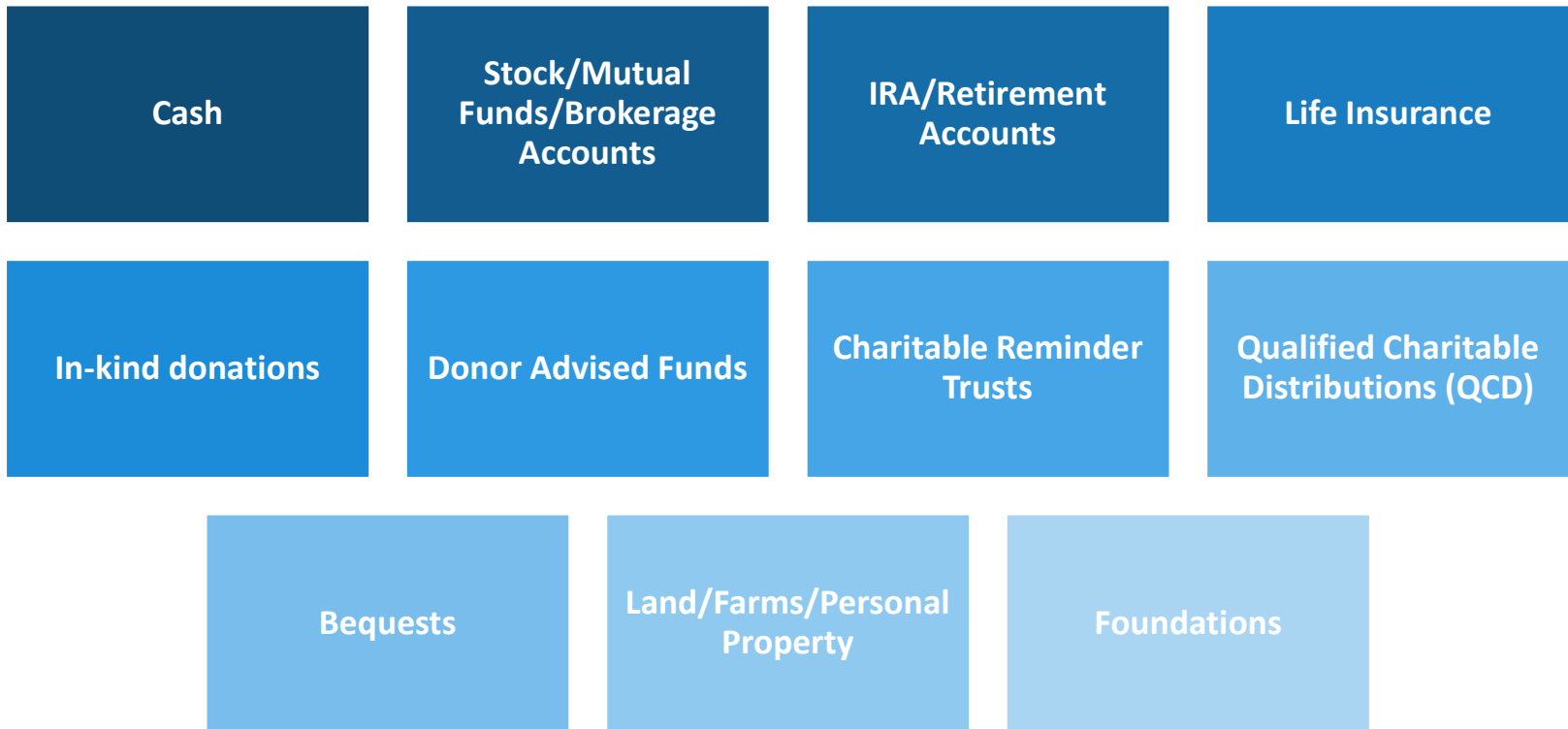


**WHAT DO YOU
WANT TO GIVE?**



**HOW DO YOU
WANT TO GIVE?**

Treasure: Ways to Give





Cash Donations

- Easy to give in any amount.
- Charity gets use of the funds today.
- Tax deductible up to 60% of AGI.
- No legal documents needed.



Brokerage Accounts/ Stocks/Mutual Funds

- Easy to give.
- Deduction on Fair Market Value.
- Charity can liquidate into cash.
- No capital gains tax for donor.
- No legal documents needed.
- Charity can be designated as beneficiary or by will.



IRA/Retirement Accounts

- Easy to give.
- Charities can be designated as beneficiary.
- Neither donor or heirs pays income tax on distribution to charity.
- Reduced estate taxes; allows full amount of retirement account to benefit charity.
- Leaves lasting legacy to charity of choice.



Life Insurance

- Makes a significant gift.
- Can be used for old policies.
- Charity becomes owner and beneficiary.
- Can name charity as beneficiary only.
- Deduction of policy cost basis, not cash value.
- Can continue making premium payments.
- No legal document required.
- Premium deductible to donor.



In-kind Donations

- Can be simple, or complex.
- Donation of assets, goods, or services.
- Leverage paid time for expertise provided (pro-bono).
- Tax deductible letter from charity is needed to substantiate the gifts.
 - Value must be stated by charity in written acknowledgement.
 - “No goods or services” clauses needed if over \$250 value; IRS qualified appraisal needed for goods over \$5000.



Donor Advised Funds

- Moderately complex.
- Can be established through a financial advisor or community partners.
- Donor managed timing and gift amounts.
- Tax deductible – up to 60% AGI for cash, 30% for appreciated securities, mutual funds, real estate.
- Assets are invested for growth.
- Donor chooses the charities to receive grants.



Charitable Remainder Trusts

- More complex.
- Irrevocable trust.
- Legal documents needed.
- Allows for planning major gifts to charity.
- Defers taxes on the assets put into trust.
- Created predictable, taxable income stream for donor or non-charitable beneficiary.



Qualified Charitable Distributions (QCDs)

- Easy to give.
- Donors age 70 ½ or older can give up to \$108,000/yr directly to charity (QCD).
- Non-taxable.
- Must be payable directly from IRA to charity.
- Limit is adjusted annually for inflation.
- Counts toward RMDs.



Bequests

- Leaves gifts to charity at death through Will or Trust.
- Legal documents needed.
- Charity receives gift upon death.
- Estate receives charitable deduction.
- Allows donor to support charity long after they are gone.



Land/Farms/Personal Property

- Deduction for fair market value - appraisal required.
- Gift today or at death.
- Stated in will/trust.
- Charity turns into cash.
- No capital gains to donor or family.



Foundations

- Complex.
- Ideal for high-net-worth donors.
- Legal documents needed.
- Managed by a Board of Directors
- Requires annual distributions to charity.
- Annual reporting & yearly tax return filing required.

Peace of Mind

The Gift of Planning

- Will
- Revocable Trust
- Beneficiary Designations
- Transfer on Death/Pay on Death
- POA/Medical Directives
- Family Philanthropy





Questions?

Thank you!

Mark Wiskus, CLU[®], CAP[®], AEP[®]

Ph. 641-628-1505

mark@wiskusgroup.com

www.markwiskus.com





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