



# GIFTS OF APPRECIATED REAL ESTATE

## Support students, advance SUNY Cobleskill

**B**y making gifts of appreciated real estate, you can provide essential support for students, faculty and SUNY Cobleskill. Appreciated real estate represents one of the most overlooked asset classes for charitable gift planning. There are numerous options, each with special benefits to you, the donor, and the SUNY Cobleskill Foundation.

### TAX SAVINGS

The tax savings involved with using an immediate gift of appreciated real estate is the avoidance of capital gains tax and a charitable income tax deduction for the fair market value of the asset gifted to a charity. This means you will not be charged upward of a 23.8 percent tax on capital gains that many taxpayers face (depending on your tax bracket) as well as significant income tax savings from the deduction. It is possible to gift an entire property or a percentage.

GIFT EXAMPLES	\$100,000 CONDO	\$350,000 VACATION HOME
Tax basis	\$50,000	\$50,000
Taxable gain	\$50,000	\$300,000
Tax on gain (23.8%)	\$11,900	\$71,400
Charitable income tax savings (37%)	\$37,000	\$129,500
<b>Total tax savings from gift</b>	<b>\$48,900</b>	<b>\$200,900</b>

**LEARN MORE:** [cobleskill.edu/giving](http://cobleskill.edu/giving)



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The SUNY Cobleskill Foundation is your partner for accepting charitable gifts that benefit SUNY Cobleskill.

## INCREASE YOUR INCOME, AVOID CAPITAL GAINS

Another alternative for those looking to avoid capital gains and increase their income, is to gift property to a special charitable trust designed to hold and/or liquidate real estate. These trusts generally pay the donors net income from the trust assets until the real estate is sold. Once the real estate is sold, the trust then pays you a fixed percentage of the trust assets for your life, and possibly the lives of others, or for a term of years. These arrangements also give you a partial income tax deduction.

## RECEIVE INCOME TAX DEDUCTION WHILE STAYING IN YOUR HOME

If you are considering leaving the SUNY Cobleskill Foundation a personal residence, vacation house or farm in your real estate plans, you could receive a significant income tax deduction today by creating what is called a “retained life estate” in your property

## ACT NOW AND MAKE A DIFFERENCE

We recommend you consult your tax advisor to see if any of these options make sense for you. For a more detailed description and illustration of potential tax benefits of any of these options, contact John J. Zacharek, vice president for development, at 518-255-5524 or zacharek@cobleskill.edu.

with the SUNY Cobleskill Foundation designated to own the property upon your death. You maintain all aspects of ownership of your property during your life. The income tax deduction for retained life estate arrangements can be very attractive, depending upon your age and the current value of the home you are considering.

## SELL YOUR HOME AT A DISCOUNT

Donors who are looking to lessen their capital gains burden, but will still need most of the proceeds from sale of the properties, have an option known as a “bargain sale.” A bargain sale arrangement is where a donor sells real estate at a below market rate to the SUNY Cobleskill Foundation. You will receive a charitable income tax deduction for the difference between the sale price and the fair market value. Additionally, you will avoid a portion of the capital gains you would have owed had you sold the property on the market.