

## How Do I Transfer Stock?

Making a gift of securities to Zion is very simple. It's as easy as A-B-C.

**A** Determine which stocks and how many shares you wish to donate.

**B** Call your broker and ask him/her to transfer shares into a Zion Christian School account at either:

Royal Securities  
Ken Vander Molen  
4095 Chicago Dr SW  
Suite 120  
Grandville, MI 49418  
Phone: (616) 538-2602

Centennial Securities  
Scott Sjoerdsma  
7876 Cottonwood Dr  
Jenison, MI 49429  
Phone: (616) 224-0550

If you are in possession of stock certificates, you may personally deliver the endorsed certificate(s) to Zion's office or send us the unendorsed certificate(s) and a signed stock power in separate envelopes.

**C** Call or write Jason Heerema to notify him that you are transferring the stock so that he might properly identify it as it is received and issue a timely receipt.

Contact Jason at:

Zion Christian School  
7555 Byron Center Avenue  
Byron Center, MI 49315  
Phone: (616) 878-9472

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### Zion Christian School

7555 Byron Center Ave.  
Byron Center, MI 49315

Phone: (616) 878-9472  
Fax: (616) 878-9473  
E-mail: [office@zionchristian.net](mailto:office@zionchristian.net)  
Website: [www.zionchristian.net](http://www.zionchristian.net)



## Donating Stock



*Discover the Benefits of  
Equity Gifts*

## Zion Christian School

*Learning & Living for the Glory of God*

## WHY DONATE STOCK?

### Tax Benefits

Your gift of property that has been held for more than one year entitles you to an income tax deduction for its fully appreciated fair market value (FMV). In addition, capital gains that would be due upon the property's sale are avoided.

The charitable deduction that you will receive for the gift of stock will be fixed based on the date of the transfer to Zion. Tax law requires that we take the high and low stock price on the date of transfer and average these two amounts to provide you with the value of the stock for purposes of your charitable tax deduction. When appreciated securities are donated to Zion, the income tax deduction is limited to 30% of your adjusted gross income with a five-year carry forward period for any excess deductions.

### Reduction of Gift Cost

If giving with cash, your gift has a "cost" of the value of the cash or check, less any tax benefits. With a gift of stock, your gift has a "cost" only of that which you invested in the stock. As you see by the example to the right, you are able to offer a \$10,000 donation at a much lesser cost.

## EXAMPLE

John would like to make a contribution of \$10,000 to The Mountaineer Fund. He is trying to decide how to go about making this contribution. Ten years ago, John purchased 100 shares of XYZ Company at a cost of \$3,000. Today, this stock is worth \$10,000. John has 3 choices of how to make his \$10,000 contribution:

1. Write a Check

2. Sell His XYZ Company Stock

3. Gift His Stock Directly to Zion

1. If John were to simply write a check, he would pay \$7,500 for the donation. In addition, the capital gains tax would still be owed on the stock when it is sold in the future.

Gift Amount: \$10,000  
Capital Gain: \$0  
Capital Gains Tax: \$0  
Tax Savings @ 25% Bracket: \$2,500

**Total Gift Cost**  
**\$10,000 - \$2,500 = \$7,500**

Note: Assuming the price of the stock remains unchanged, a capital gain of \$7,000 would be realized at the time of future sale, thereby triggering a tax expense of \$1,050.

2. If John were to sell the stock and make a cash gift to Zion, he would be liable for a capital gains tax of 15% on the \$7,000 gain, thereby costing him \$1,050.

Gift Amount: \$10,000  
Capital Gain: \$7,000  
Capital Gains Tax: \$1,050  
Tax Savings @ 25% Bracket: \$2,500

**Total Gift Cost**  
**\$3,000 + \$1,050 - \$2,500 = \$1,550**

3. By gifting the stock directly to Zion, John is able to take a current year income tax deduction for the stock's FMV (\$10,000) and avoid any taxes on capital gains.

If he wanted to continue to own XYZ Company stock, he could simply invest the \$10,000 cash that he was going to give to Zion in XYZ Company. By doing so, he would have a cost basis of \$10,000 rather than the current \$3,000, thereby greatly reducing his future capital gain.

Gift Amount: \$10,000  
Capital Gain: \$0  
Capital Gains Tax: \$0  
Tax Savings @ 25% Bracket: \$2,500

**Total Gift Cost**  
**\$3,000 - \$2,500 = \$500**

### Summary

Gifted stock directly reduces the cost of your gift, while the benefit of your gift is not diminished. For further questions, please contact Jason Heerema at (616) 878-9472. Thank you for prayerfully considering a stock gift to Zion Christian School.