



CHIKAMING OPEN LANDS  
*PROTECTING THE LAND ~ PRESERVING OUR HERITAGE*

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## GIVING MADE EASIER

BY STEVE SMITH, TREASURER CHIKAMING OPEN LANDS

I often get asked if there are other ways of giving to Chikaming Open Lands than just writing a check. The answer is “yes” and here are a few ideas for donors to consider.

A very common way is to donate appreciated securities. The donor is entitled to an income tax deduction equal to the market value of the gift on the date of donation and avoids paying any capital gains on the appreciated value of the security. Any donor interested in donating appreciated securities can contact me at 269-469-4941 or Errett Van Nice at Wayne Hummer Investments at 866-713-7227. Donors who make a gift of securities will have the gift valued at the average of the high and low on the date of the gift.

A Michigan resident can donate cash to an endowment fund that Chikaming Open Lands maintains with the Berrien Community Foundation. The benefits are almost too good to believe. This **gift can be worth almost three times its actual out-of-pocket cost!** This astonishing benefit comes to the citizens of Michigan by virtue of Michigan's Tax Credit for Community Foundations coupled with the federal tax deduction. Michigan gives a 50% tax credit (not just a deduction) for donations to community foundations such as the Berrien Community Foundation. There is a maximum as shown below:

Individual Taxpayer	\$100 credit for \$200 gift
Taxpayers filing jointly	\$200 credit for \$400 gift

As an example let's assume a married couple filing jointly gives \$400 to The Chikaming Open Lands Fund at BCF. Assume they are in the 25% federal tax bracket. They first get a federal deduction for the \$400 gift that saves them \$50 in federal tax. They then get the \$200 credit on their Michigan taxes. Consequently, their \$400 gift cost them out-of-pocket only \$150. COL, however, benefits to the tune of the full \$400 invested in an income-yielding portfolio.

For members of COL who would like to give an additional gift beyond their annual membership dues each year this is a great way to help COL at a very favorable cost to the donors. The process is simple:

1. Make check payable to: **BCF/ CHIKAMING OPEN LANDS Endowment Fund**
2. Send check to:  
**Berrien Community Foundation**  
**2900 South State Street, Suite 2 East**  
**St. Joseph, MI 49085**
3. Notify COL so we can express our gratitude.

Finally, and this only applies if you have an IRA and are 70 ½ or older. For just 2006 and 2007 you can transfer from the IRA a donation directly to a qualified charity such as COL. The transfer is not taxed as a withdrawal, it can be used to meet the donor's minimum required distribution and avoid the income tax on that amount, and it may possibly reduce estate taxes in the future. If anyone is eligible and interested please contact me at the number listed above. As a qualified public charity Chikaming Open Lands can accept such gifts. As a reminder, COL does not give tax advice. Donors should always rely upon their own professional advisors if they are not familiar with the gift procedures outlined here.