



True Riches eNewsletter

"So if you have not been trustworthy in handling worldly wealth, who will trust you with true riches?" Luke 16: 11

November, 2005

Washington Alert!

We at CLF strive to monitor discussions in Washington that could be relevant to givers as well as charities and churches. Occasionally, we pass along items of interest.

The President's Advisory Panel on Federal Tax Reform recently presented its final report in which it made sweeping recommendations to overhaul the federal income tax system for individuals. One aspect of their proposal concerning charitable gifts is consistent with a proposal made by the staff of the Senate finance committee. Therefore, our Washington observers believe that there is a reasonable probability this change could be implemented at some point.

The Panel recommends that the deduction for contributions of illiquid assets to charity be limited to cost basis. Instead, taxpayers will be allowed to sell property without recognizing gain and receive a full charitable deduction if the entire sales proceeds are donated to a charity within 60 days of the sale. This change could eliminate the advantages of donating full or partial interests in businesses or real estate with the intention that the charity hold the asset until sold.

Simply put, if you desire to fund your giving with a donation of a full or partial interest in a business or real estate investment (or other illiquid asset), you should consider acting now to get it done in 2005. Call us and we will help you!

A Solution for Getting Year-end Charitable Deductions

As we approach the end of 2005, many of us are realizing that we would like to give more to meet our charitable goals. Others are expecting bonuses or other financial events close to year end. How do we conveniently make a tax-deductible contribution in this year but avoid an uncomfortable rush to find wise giving opportunities?

One solution is CLF's Giving Fund (donor advised fund). This is like creating your own family foundation.



Funding and Strengthening Tampa Bay's Christian Community

The Christian Legacy Foundation (CLF) exists to enable faithful stewards to give wisely to further the Gospel of Jesus Christ.

Open your Giving Fund today, or learn more about our innovative giving solutions, tools and resources at www.clfinc.org

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A Giving Fund provides an immediate tax benefit for your gift and gives you time to decide which causes to support. You give to your Giving Fund, and then you recommend grants from that fund over time. You can take months – even years – to decide which causes to support.

Depending on the size of your Fund balance, your gift has the potential to grow tax-free through one of our investment portfolios. [READ MORE](#)

News

Growth and Impact - One of our main ministry purposes is to facilitate major giving into Kingdom purposes. We are overjoyed to report God's blessings: CLF's assets have grown more than 10-fold so far this year to almost \$5 million! Also, we are on pace this year to facilitate almost \$10 million of giving. This is near-miraculous for a community foundation in its first full year of operation as a National Christian Foundation affiliate. Praise God for what He is doing in our community!

People - CLF's board of directors has a new chairman: Gibbs Wilson. Gibbs has faithfully served on our board for many years and we are grateful for his willingness to take on this additional role. A third-generation Tampa native, Gibb's family has resided in the Tampa Bay area since the 1800's. We thank our prior chairman, Rev. Terry Collier for his years of dogged dedication as chairman in getting CLF firmly established. Terry continues to serve on our board.

Featured Article

Katrina Relief Act Provides Breaks for Donors

Last month, Congress passed the Katrina Emergency Tax Relief Act (KETRA), which provides for new tax breaks for charitable giving.

The most significant change raises the deduction limit for cash donations to public charities from 50% to 100% of income as long as the donations are made between August 28 and December 31 of this year. Importantly, the charity does not have to be involved in hurricane efforts. Public charities qualify, but private foundations, donor-advised funds and supporting organizations do not.

Another beneficial change is that the deduction phase-out for high-income filers does not apply to these donations.

This year, it can make sense to give charitably from your IRA, profit-sharing, or 401(k) plan. If you are over 59½ years old, you are allowed to withdraw funds without the 10% early withdrawal penalty. You may wish to use some or all of these funds to make a large charitable gift, especially in light of the ability to deduct up to 100% of your income.

As always, you should discuss this and other aspects of your tax strategy with your professional advisor. [Click here](#) to visit the Christian Financial Professionals Network web site to find a practitioner near you.
