

Giving the Gift of Life

BY Wanda Franz, Ph.D.

Charitable giving is always first about making a difference. For example, when you give to National Right to Life, you're making a difference by saving lives.

But there are other benefits to charitable giving. Being part of a great movement, feeling positive about helping others live—these are wonderful benefits you get when you contribute.

But there's another benefit—financial. That's right, the tax code has been shaped to encourage charitable giving. The value of some of the donations you give can be subtracted from your gross income at tax time, so you pay taxes on a lower net income.

In other words, a charitable gift can help decrease the taxes you pay.

The National Right to Life Educational Trust Fund has a special purpose. Its role is to educate citizens about the life issues. Because it only does educational work, donations to the National Right to Life Educational Trust Fund are fully deductible for federal income tax purposes.

While our need for financial support is usually greater in the non-deductible National Right to Life Committee fund (non-deductible because the Committee lobbies to change the law), we recognize that toward the end of the year, many of our members are interested in making a charitable contribution to the NRL Educational Trust Fund, so they can benefit from tax-deductibility.

Essentially, when you donate to the National Right to Life Educational Trust Fund, the amount of your gift is subtracted from your gross income at tax time. You pay income on the lower amount, which means you save money on your taxes.

Many of these tax breaks are three-way winners—for the donor, for National Right to Life, and, most importantly, for the babies!

But there are other, creative ways you can give to the National Right to Life Educational Trust Fund this year and reap the benefits. For example, if you choose to donate a gift of a company's stock that you own, you can realize a significant tax savings.

Say I have 10 shares of stock that I bought for \$10 a share, but now it is worth \$25 per share. In other words, I bought the 10 shares of stock for \$100, but now they are worth \$250.

If I sell the stock, I would have to pay a tax on the amount the stock appreciated (increased in value). This is called a capital gains tax. In this example, I would have to pay a capital gains tax on the \$150, the amount the stock increased in value over the years.

But I can avoid paying this entire tax if I donate the stock directly to the National Right to Life Educational Trust Fund. Under the tax laws, if instead of selling the stock, I give the stock to

the Trust Fund, I never have to pay the capital gains tax for the amount the stock increased in value. That can be a significant savings.

Not only that, but I can claim the entire value, in this case \$250, as a tax-deductible gift. I don't have to pay the capital gains tax, I get a tax deduction that lowers my income tax, and I get to do something great for the lifesaving work of the NRL Educational Trust Fund! It's a three-way winner for the donor, for NRL, and for the babies!

Here's another winner that is in effect for just two more tax years, because of a special law passed by Congress. This applies if you are age 70½ or older and have a traditional IRA, Roth IRA, or qualified plan whose distributions are going to be fully or partially taxed.

You can avoid that taxation by having the money paid out directly to the National Right to Life Educational Trust Fund up to a maximum gift of \$100,000. If you have your IRA or plan manager donate directly to a charity like the National Right to Life Educational Trust Fund, the funds that they pay out to the charity will not be taxed at all. This benefit is not dependent on whether or not you itemize.

Just like with the stock gifts, it's a winner because the babies benefit from your generosity!

But remember, this special clause is only in the tax code for the rest of 2006 and through 2007. So to get the tax benefit this year, you should consult your financial advisor or IRA manager before the end of the year.

Another way you can help give life to unborn children is by giving your unused or underused vehicle to us. The National Right to Life Educational Trust Fund benefits from Autos for Life, a program where we post your donated vehicle on the Internet, bids are taken, and the proceeds are used directly in our lifesaving projects. The amount that the vehicle sells for is also a tax deduction for you. (See page 25.)

To donate a vehicle, call (202) 626-8823 or send an e-mail to dojr@nrlc.org.

Finally, you can make the National Right to Life Educational Trust Fund the object of your end of the year charitable giving by sending your tax-deductible gift by check directly to the National Right to Life Educational Trust Fund, 512 10th St. NW, Washington, DC 20004.

You can also give a tax-deductible gift by credit card by calling the National Right to Life Development Department at 202-626-8813.

For information on other ways to donate, including those mentioned above, call the National Right to Life Development Department at (202) 626-8813.

If all of us do our part to save lives, we will keep the abortion rate falling, keep educating our nation on the precious value of human life, and return our society to one that cares about the lives of all human beings—another three-way winner for all of us!