

# Nebraska Community Foundation, Inc.

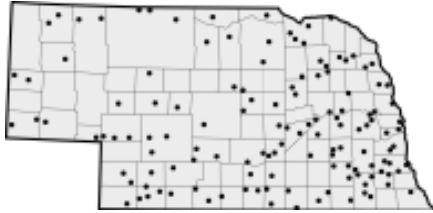
The Nebraska Community Foundation exists to help concerned individuals mobilize charitable giving to support the betterment of Nebraska communities and organizations. The Foundation is a nonprofit charitable corporation providing financial management, strategic development and education/training services to communities, organizations and donors throughout Nebraska. Started in 1993, the Foundation provides affiliated fund status (allowing communities and organizations

to achieve nonprofit charitable status without forming their own nonprofit

corporation) to more than 150 communities, organizations and donors. For more information about the Nebraska Community Foundation call 402/323-7330 or visit the website at [www.nebcommfound.org](http://www.nebcommfound.org).

The single most important factor in community success is involvement of citizens in their community. Your gifts of time, talent and dollars make a difference.

**Please consider what a gift of closely held stock would do for your community and for you.**



*the* Cheyenne County Community **center**  
The Cheyenne County Community Center  
627 Toledo Street  
Sidney, NE 69162  
[www.cheycocenter.org](http://www.cheycocenter.org)

# Gifts of Closely Held Stock

- ✓ A Gift for the Benefit of Your Hometown
- ✓ A Gift That is Good for Your Business
- ✓ A Gift That Benefits Your Estate

For the benefit of

*the*  
Cheyenne County Community  
**center**

an affiliated fund of

  
**NEBRASKA COMMUNITY**  
FOUNDATION  
[www.nebcommfound.org](http://www.nebcommfound.org)

## Invest in Your Community...

Nebraska's business owners invest a great deal in the establishment and building of a successful business, and financial resources are only part of the story. In many respects, the building of a family business is the epitome of the American dream – created with equal parts opportunity, blood, sweat and tears.

So, when it is time to transfer ownership – whether to create income for retirement or to pass on an inheritance – business owners have special opportunities to give something back to their hometown.

## Personal Deduction with Your Corporate Dollars

This is a dynamic opportunity for you to help your hometown with a gift of your corporation's stock. Transferring shares of your corporation's stock to the Nebraska Community Foundation for the benefit of your hometown can provide the following benefits:

- Provides the satisfaction of making a gift today that can be invested in your hometown,
- Creates an immediate personal charitable income tax deduction,
- By-passes capital gains taxes on the gift of stock,
- Avoids declaration and double-taxation of dividends,
- Allows the corporation to buy back the stock, and
- Reduces estate taxes and settlement costs.

**"People have plenty of opportunities to give their money away. Why not give it back to the community where you lived and made your money?"**

**-- Frank Sibert  
Foundation Board Member &  
Retired Rancher of Valentine**

## How This Plan Works

A business owner owns the majority of the stock in the family business or corporation. He decides to help build his hometown's endowment fund with a gift of stock from his corporation. The owner transfers shares of his stock to the Nebraska Community Foundation valued at \$100,000. As a result of this gift, the business owner becomes entitled to a \$100,000 charitable deduction on his *personal* tax return. Plus, he avoids the capital gains tax on the appreciation of the corporation's stock.

The Nebraska Community Foundation sells the stock for \$100,000 cash from the corporation. The gift of stock leaves the business owner in full control of the corporation and without any personal costs.

Finally, the \$100,000 cash is placed into a hometown endowment fund that will assist worthwhile projects.

## Key Issues With This Gift

- If the gift value exceeds \$10,000, the charitable gift deduction amount must be determined by a qualified appraisal of the stock.
- There can be no prearranged obligation for the Nebraska Community Foundation to sell the stock back to the corporation.
- Corporate repurchase should occur two weeks to two months after the gift is made.
- Corporation's liquidity is needed to repurchase the stock.

## Variations of This Plan

- Gift the stock to a Charitable Remainder Trust to receive a lifetime income.
- Make a gift of stock prior to selling the company to receive a personal tax deduction and avoid capital gains taxes.
- Use a combination of the above variations to transfer your corporation to your heirs.

## A Plan to Meet Your Objectives

**Obviously, one plan cannot meet the needs of every situation. If you would like to explore how a plan can be constructed to meet the specifics of your situation use one of the following options.**

- 1. Complete and return this form to the address listed below,**  
  
**or**
- 2. Contact one of the gift planners listed here.**

- **Jim Gustafson, Planned Giving Consultant**  
[jgustafson@nebcommfound.org](mailto:jgustafson@nebcommfound.org)  
(402) 323-7341
- **Jeff Yost, President & CEO**  
[jeffyost@nebcommfound.org](mailto:jeffyost@nebcommfound.org)  
(402) 323-7332

Name(s) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone(s) \_\_\_\_\_

E-mail \_\_\_\_\_

\_\_\_\_\_ Please send me a personal illustration of how a gift of closely held stock would benefit me.

\_\_\_\_\_ I would like someone to contact me regarding a private and confidential visit about planning a gift of stock from my corporation.

\_\_\_\_\_ In confidence, I have already included my hometown in my will.

**Please Mail or Fax to:**  
Nebraska Community Foundation  
P.O. Box 83107  
Lincoln, NE 68501-3107  
Phone: (402) 323-7330 Fax: (402) 323-7349  
Visit [www.nebcommfound.org](http://www.nebcommfound.org)