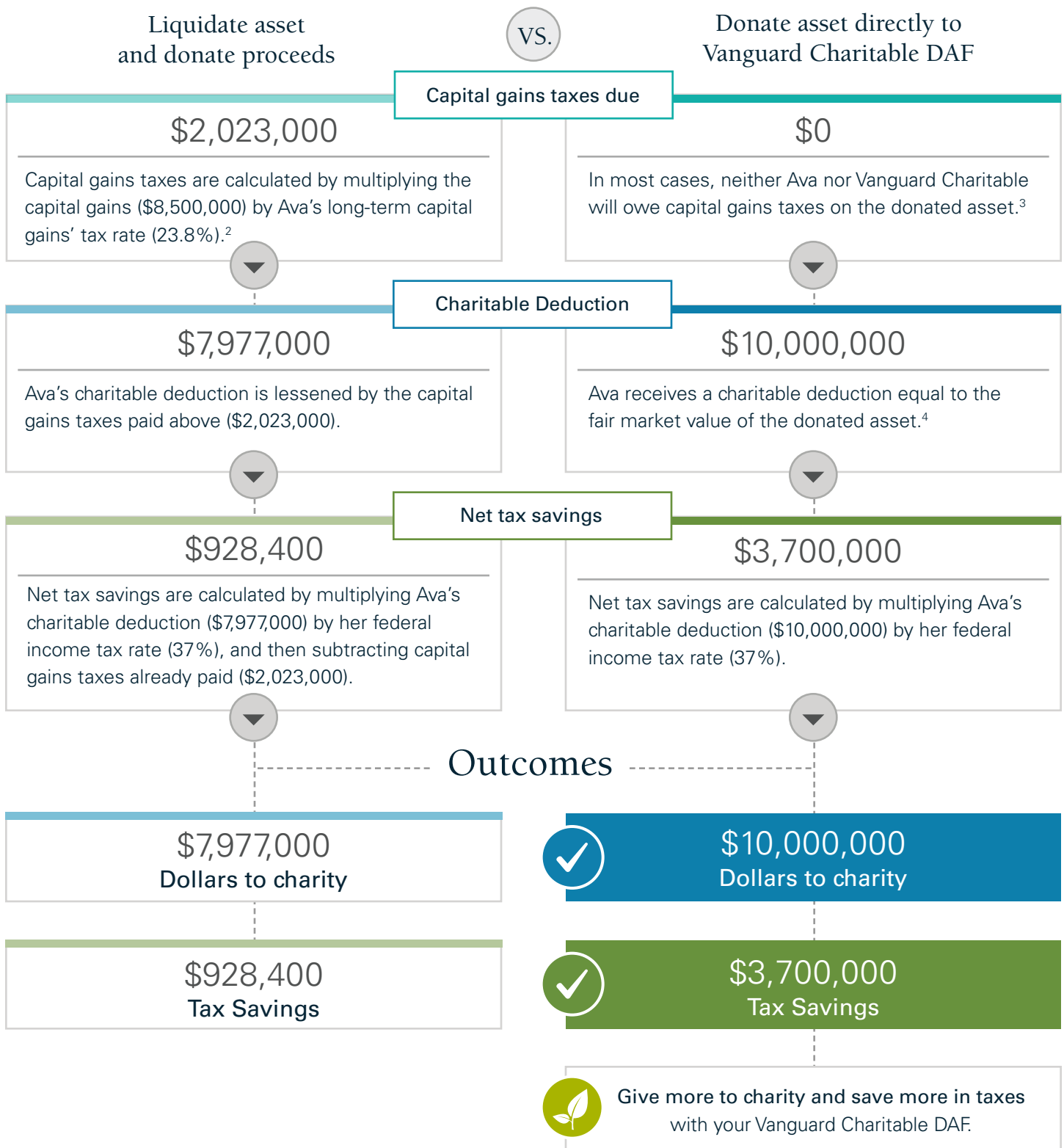


Donating private equity: Which option is better?



Ava wants to donate shares in ownership of a private company worth **\$10,000,000** with a cost basis of **\$1,500,000**.¹ She considers two options: 1) Liquidating the asset and donating the proceeds or 2) Donating the asset directly to a Vanguard Charitable donor-advised fund (DAF).



Reviewing your portfolio

We make donating complex assets easier. Our seasoned network of financial and tax professionals offer decades of experience with all types of complex assets. Each complex asset is evaluated individually.

Illiquid assets that can maximize your charitable giving:

- Private Equity
- LLC, LP, or LLP interest
- Non-publicly traded stock
- C-corp shares
- S-corp shares
- Hedge fund interest
- Residential real estate
- Commercial real estate
- Artwork
- Intellectual Property
- Insurance Policy
- Stock Options
- Restricted Stock
- Foreign-traded stock

Unlock the power of complex assets

- Support many charities over time with the proceeds from one contribution.
- Lessen capital gains on highly appreciated assets.
- Rebalance your portfolio in a tax-effective way.
- Receive a tax deduction based on the asset's fair market value.
- Simplify the paperwork and administrative tasks that go along with complex asset donations.



Contact us to get started

Contact us at **888-383-4483** or donorservice@vanguardcharitable.org. You will be directed to a complex asset team member to discuss your asset. You may be asked to provide additional details via a form.

Complex asset donations are often time-sensitive and may need longer processing times. We generally liquidate assets as quickly as possible while adhering to IRS and legal guidelines. Due to extended research and processing timeframes, please initiate complex asset contributions well in advance of desired deadlines. Some complex asset contributions may be subject to additional taxes, transaction costs, or legal fees. Contact us to learn more.

All donations must meet Vanguard Charitable minimums to be accepted.

¹In this scenario, shares are C-corp stock with no corresponding Unrelated Business Income Tax (UBIT). UBIT may be applicable in donations of other types of private companies, such as LLCs or S-corps.

²This figure represents the combined 20% capital gain rate for earners in the top tax bracket and the 3.8% Net Income Investment tax (NIIT).

³Assumes donor has held assets for longer than one year. A gift is not a realization event by the donor and so does not trigger capital gains taxes to the donor. The charity recognizes the built-in gain when it sells the securities, but it pays no tax because it is exempt.

⁴Value determined by an independent qualified appraisal. Certain assets may be subject to a valuation discount, which may decrease the charitable deduction permitted.

Note: This is a simplified hypothetical situation for illustration purposes only. Please consult a tax advisor before donating complex assets.