

Can I use my business interests to support the Lord's work?

Yes. Gifts of business interests—closely held stock, S-Corporation stock, partnership investments, and shares in a corporation—can be used to advance the kingdom of God here and around the world.

Why do people give business interests?

Business interests are often one of the largest assets and one of the most appreciated in value. As a result, a gift of a business interest can be the most tax-efficient gift for a family. Also, many people see their business success as a gift from God and want to give back a portion of what they have received.

Is a gift of a business interest right for me?

A gift of a business interest may be a good choice if you:

- Own a viable and marketable enterprise, such as a family business
- Are considering selling your business or working on a future succession plan
- Are interested in saving taxes

Factors to be considered in gifting business interests.

- The type of business interest (C-Corp Stock, S-Corp Stock, LLC interest, partnership interest) may have tax implications for the gift.
- Appraisals of business interests can often be expensive. Minority interest discounts can affect the tax deductible contribution amount.
- The gift is irrevocable. If the business does not sell to a third party soon after the gift, one or more charities become shareholders/partners in your business.

How do I determine the value of my business interest?

Because shares in a closely-held business or an investment partnership do not trade publicly, you will need to have your business interest appraised to substantiate the value and determine what your tax deduction will be.

Can you give me an example of how this works?

Yes. Suppose George borrowed \$500 to start a small trucking company soon after he married his high school sweetheart, Louise. The business is worth \$10 million today. At an early age, George's parents taught him biblical principles of stewardship and generosity, and George now gives 20% of his income back to the Lord. George plans to sell his business, and would like to give 20% of the value of his business (\$2 million) to a number of his favorite Christian causes.

If George sells his business first, and then makes his charitable gift out of proceeds, he would need to use nearly \$2.5 million of his stock value in order to make a gift of \$2 million. George's favorite Christian organization arranged a meeting with Barnabas Foundation and they discussed that prior to the sale, George could give a portion of the business to Barnabas Foundation Stewards Fund. George makes a gift of \$2 million worth of stock and owes no tax on that portion. Therefore, the entire \$2 million value goes to charity. Barnabas Foundation would then accept recommendations from George for distributions to ministries he would like to support.

