

Your Charitable Contributions

By Ron Sorrell

You and other informed donors can enjoy significant financial advantages, particularly federal income advantages, through careful timing of your charitable gifts to our Outrigger Duke Kahanamoku Foundation.

Before discussing specifics, however, it might be helpful to put this matter of tax considerations and individual giving into proper perspective.

I'm convinced that you and other generous members give to selected institutions and organizations, like ours, for motives unrelated to taxes. You and others give simply because you believe in and want to support athletic activities and programs you consider worthwhile.

But good gift timing can reduce your out-of-pocket cost of charitable giving, let you enjoy the satisfaction of making substantial contributions that, without good timing, might not otherwise be practical and affordable.

Income tax rates and the value of contribution deductions will drop next year. In 1987, your contribution can--through allowable deductions--enjoy up to a 38.5% cost discount on gifts you make to the ODKF. But in 1988, this cost discount will be cut substantially.

Let's consider then, four basic gift timing rules regularly followed by astute and financially informed donors.

Gift Timing Rule No. 1: Give in a higher tax bracket year rather than in a lower tax bracket year.

Gift Timing Rule No. 2: Donate a "capital gain" asset only after it becomes "long term".

Gift Timing Rule No. 3: Generally give near yearend rather than earlier months of the year.

Gift Timing Rule No. 4: Be sure you "complete the delivery" of your gifts on time.

Generally speaking, the 1987 federal

income tax rates are higher than the rates that will apply in 1988. Thus itemized deductions allowed to you for charitable gifts made this year, will generally produce a greater tax saving and a lower after-tax cost of giving than deductions allowed for comparable gifts made next year.

But questions about when best to give, to whom to give, and how much to give, al-

ways involve highly individual circumstances and considerations. We invite you to explore practical gift possibilities with us without obligation.

OUTRIGGER DUKE KAHANAMOKU



FOUNDATION