

# Year-End Giving to ODKF

By Ron Sorrell

Charitable contributions are a big part of year-end tax planning for upper income individuals. This is one of the few areas in which you still get a dollar's deduction for a dollar's expense, regardless of your income level.

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*All gifts, small and large, help the Foundation carry out its grants and scholarship program.*  
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Normally, you can deduct up to 50% of adjusted gross income. This means someone with \$120,000 of adjusted gross income can deduct up to \$60,000 in charitable contributions. This can move you from the 33% bracket to the 28% bracket, or you can avoid the phaseout of the \$25,000 loss from real estate activities or a similar phaseout.

If you have cash available and want to reduce taxes at the last minute, you can give cash to the tax-exempt organization of your choice, such as the Outrigger Duke Kahanamoku Foundation.

If you want to have some control over the money, you can set up a private foundation. You can deduct only up to 20% of adjusted gross in-

come for contributions to a private foundation and there are strict legal rules to follow. But for someone who is fairly affluent, the private foundation is a good way to save taxes, improve your name and reputation in the community and accomplish something worthwhile.

If you have income-producing property, you can establish either a charitable lead trust or a charitable remainder trust. Contact your tax advisor or the ODKF legal counsel before attempting to set up one of these trusts.

If you don't have cash or income producing property, you can still get a deduction for giving away other property to the ODKF. If you give away appreciated property, you can deduct the fair market value of the property and not pay any tax on the gain the investment experienced while you owned it.

Your deduction is limited to 30% of the adjusted gross income. If you are subject to the alternative minimum tax, you deduct only the basis in the property. With other property, you deduct the lower of your basis and the fair market value.

The ODKF helps support many deserving athletes, programs and sporting events, and plays a vital role in perpetuating the major cultural and historical traditions of Hawaiian athletics.

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Outrigger members may charge their contributions to their OCC account or be billed in monthly installments. Gifts of \$5 a month and up are most welcome. Junior members are encouraged to give \$1 a month to the Foundation. ☺



Marilyn Kali

Junior kayak coach Billy Whitford, left, was on hand when Walter Guild, chairman of the Steinlager Hawaiian Canoe & Kayak Championships, presented a check for \$1,000 to ODKF Board chairman Msgr. Charles Kekumano. The check was made in the names of the winning celebrity crews during the races in October. The funds will be earmarked for junior kayakers participating at the national or international level. Also present was Olympic kayaker Traci Phillips who received financial assistance from the ODKF.