



DONATE – CHARITABLE BARGAIN SALE

The 2L Foundation offers multiple ways for you to donate to the overall mission and individual programs provided by the charity.

A charitable donation is a contribution of money or goods to a tax-exempt organization, such as a 501c3 charity, that can reduce your taxable income. To claim a deduction, you must not receive any benefit as a result of your gift.

DISCLAIMER – The materials available on this website are for informational purposes only and not for the purpose of providing financial, legal, or accounting advice. You should contact your attorney, accountant, and financial advisor to obtain information on any particular issue or problem. The opinions expressed at or through this site may not reflect the views of the 2L Foundation or any one individual. All potential donors should consult the Internal Revenue Code of 1986; specifically, the section entitled “Exempt Organizations Examination Guidelines” (Section 4.76.51) for additional information.

DONATING PROPERTY THROUGH A CHARITABLE BARGAIN SALE

In a charitable bargain sale, a person sells the property to the 2L Foundation for a sum below the appraised Fair Market Value. This transaction is part charitable and part sale. It generates cash payment(s) for a mutually agreed-upon price and a charitable tax receipt for the additional value of the property. The donor pays no capital gains tax on the donated portion of the property.

WHAT ARE THE BENEFITS?

- 1** A donor will receive an immediate income tax deduction for the discount taken from the appraised market value of the donated property.
- 2** A donor does not pay any capital gains tax on the donated portion of the property.
- 3** A donor can receive a payment (either in a lump sum or in fixed installments).

WHO SHOULD CONSIDER A CHARITABLE BARGAIN SALE?

- A.** A donor wanting to donate their property to 2L, while retaining some of its financial value for their personal needs.
- B.** A donor who wishes to donate real estate, securities, or other assets that can be sold for the benefit of 2L's charitable purposes.
- C.** A donor who wishes to sell the property to 2L for an amount below its fair market value.
- D.** A donor looking for a sophisticated donation plan that reduces capital gains liability, generates a charitable deduction and gives cash for the property.

***NOTE-** the 2L Foundation charity and the donor must mutually agree beforehand on the purchase price for the property being donated. A proper valuation is required to complete the charitable bargain sale transaction. Payment can be made either as a lump sum or through installments.

DISCLAIMER REGARDING RESTRICTED/DONOR-DIRECTED GIFTS – If such use (donor-directed funds) should prove to be impracticable or undesirable for any reason as the Trustees may determine, in their sole discretion, they shall then provide for alternative uses of the funds in a manner consistent with and reflecting the spirit of the original gift.