

Sell shares & donate cash

Fair market value	\$10,000
Cost basis	\$2,000
Capital gain	\$8,000
Taxable gain	\$4,000 (50%)
Tax credit <small>(assuming 25% of donation value)</small>	\$2,500
Tax on capital gain <small>(at 50%)</small>	\$2,000
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Tax savings	\$500

Donate shares directly

Fair market value	\$10,000
Cost basis	\$2,000
Capital gain	\$8,000
Taxable gain	\$0
Tax credit	\$2,500
Tax on capital gain	\$0
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Tax savings	\$2,500