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## The Best Gift You'll Give and Receive

Now that the Christmas trees and bags of Hanukkah gelt are ready for sale in the stores, it's a perfect time to start planning for a truly generous holiday season.

Most people know that giving to a registered charity provides a tax deduction. But, many people don't do their due diligence in researching how their selected charity allocates their funds. For example, the "National Museum of Racing and Hall of Fame" spends 40 cents of every dollar earned on administrative and fundraising expenses. Meanwhile, the "Clark County Food Bank" spends 96.3 cents of every dollar raised on the programs and services they provide. To be sure your dollars are making the most immediate impact on the cause you wish to support, Charity Navigator provides detailed financial information ([charitynavigator.org](http://charitynavigator.org)). The BBB Wise Giving Alliance ([give.org](http://give.org)) and Guidestar ([guidestar.org](http://guidestar.org)) also provide free online charity watchdog services.

With the recent hurricanes, earthquakes and tragedies, the number of crowdfunding requests is continually on the rise. Sites such as GoFundMe, Razoo or YouCaring provide a platform for anyone to raise funds quickly and efficiently for a wide range of causes. However, these sites are *for-profit organizations* and charge fees of between three and eight percent of all funds raised. AND, these donations are not necessarily tax deductible. A charitable organization must be a 501(c)(3) entity to qualify for a tax deduction. Therefore, since your friend Sally's dog's gallbladder operation is unlikely to qualify for a tax benefit, you might as well give her the money directly and save her the online fees.

Now that you have selected a reputable, fiscally sound charity to spread holiday cheer with, below are a few tips for getting the most value out of your gift.

- ***Give freely, without strings.*** An unrestricted donation allows the organization you have already vetted to use your contribution towards their most pressing need.
- ***Add to earlier gifts.*** Once the dust settles on a disaster there are often ongoing needs and bills that must be paid. Consider giving to your charity of choice months or a year or more after your original donation.
- ***Donate your time.*** Along with a generous check, many charities encourage people to volunteer. The satisfaction you receive from sorting clothes at a foster children's clothing drive (Project Lemonade: [projectlemonadepdx.org](http://projectlemonadepdx.org)) or from feeding homeless pets (The Pongo Fund: [thepongofund.org](http://thepongofund.org)) may well be the best gift you'll receive in any holiday season.

Allen Capital Management/Allen Trust Company can help you with questions regarding financial planning. If you are one of our clients, or think you might want to be, please contact us at (503) 292-1041 or via email at [allison@allentrust.com](mailto:allison@allentrust.com).