

# Giving in Times of Crisis

While we all watch the situation unfold in Ukraine, it is difficult to fathom what the Ukrainian people are going through, and many of us want to help them in some way. As wealth and investment advisors, we're here to assist our clients in navigating the worries and concerns regarding the impact this crisis could have on the economy, markets, and their long-term financial goals. However, we are also here to help our clients navigate their charitable giving goals.



Giving can significantly impact your own well-being, both emotionally and financially, so this article is intended to not only help ensure your money is going to the cause itself but that your contribution is made in a tax-efficient way. When it comes to the crisis in Ukraine, giving a monetary contribution is likely to be more accessible than getting directly involved in any volunteer efforts. The following provides pointers on how to plan any gifts you might be considering.

Giving to an established, reputable organization is extremely important. The unfortunate reality is that less scrupulous individuals find ways to take advantage of people's generosity in times of crisis for their own benefit. Below are tips on how to research the organization(s) you are considering:

- Support well established charitable organizations that are already focused on the type of aid you are seeking to provide. By giving to a group that is skilled and staffed for the task at hand, your donation will be used more efficiently and effectively as they already have the infrastructure and knowledge in place to get the job done.
- Limit the number of charities as one large gift is likely to have more impact than many small ones. Charitable organizations have overhead costs, and many small gifts mean that more money is likely going to cover their expenses versus the actual cause. If your giving is intentional and focused, you can find the organization and/or campaign that will put your money to work in the most efficient fashion.
- Give gifts of cash rather than donations of material items. While it's true that those being displaced will need "stuff", when we give things, it is costly and time consuming for the charity to organize, store, and transport them. It is far more cost-effective for the charity to buy the items in bulk and distribute them directly.
- Check to see if the charity is a registered, public 501(c)(3). If they are not a registered 501(c)(3), it does not mean you shouldn't give to them, but it does mean your gift will not be tax deductible.
- The search tools listed below will allow you to confirm if the charity is registered with the IRS as well as provide information on their mission, track record, and financial stability.
  - [Charity Navigator](#)
  - [GuideStar](#)

For some, giving directly to an individual or family is preferable and crowdfunding campaigns are one way to achieve this. Unfortunately, crowdfunding does not offer the same level of oversight as a registered charity. It's important to first consider who the request was created by. If someone you know, a friend-of-a-friend, or a reputable, registered organization has created the campaign request, there is a much stronger chance you can trust where the funds are going versus one created by someone you do not know.

Once you've decided where you want to make a donation, determine the best assets to gift and assess potential tax implications. Consider some of the following tax items prior to finalizing your gift:

- Gifts to publicly registered 501(c)(3)s, private foundations, and some other charities are tax deductible within limits. Note that gifts to a foreign charity are not tax deductible – the charity must be U.S. based. Also, you might want to consider donating highly appreciated stocks from a taxable account.
- If you are 70.5 or older, consider making a Qualified Charitable Distribution (QCD) from your IRA. For tax year 2022, up to \$100,000 of your RMD can be counted as a QCD.
- If you are giving to a crowdfunding campaign keep in mind potential gift tax implications. The current gift tax exemption for tax year 2022 is \$16,000 per entity.

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Please don't hesitate to reach out to us if you would like to discuss any of the gifting strategies mentioned in this article and how they relate to your financial situation in more detail. If you are unsure where to start, the following are some organizations that have been recommended by the Center for Disaster Philanthropy to help those impacted by this humanitarian disaster, including their tax ID numbers:

- AirLink – EIN: 37-1710848
- AmeriCares Foundation – EIN: 06-1008595
- Catholic Relief Services (CRS) – EIN: 13-5563422
- Center for Disaster Philanthropy (CDP) – EIN: 45-5257937 – Ukraine Humanitarian Crisis Response Fund
- CARE, Inc. – EIN: 13-1685039
- Core Community Organized Relief Effort – EIN: 27-1703237
- Direct Relief – EIN: 95-1831116
- GlobalGiving Foundation – EIN: 30-0108263 – Ukraine Crisis Relief Fund
- HelpAge USA Inc – EIN: 27-1071179
- HIAS Inc. – EIN: 13-5633307
- International Medical Corps – EIN: 95-3949646
- International Rescue Committee – EIN: 13-5660870
- Internews – EIN: 94-3027961
- King Baudouin Foundation United States, INTERSOS Fund – EIN: 58-2277856
- Matthew 25: Ministries – EIN: 31-1348100
- Mercy Corps – EIN: 91-1148123
- Order Of Malta Worldwide Relief Malteser International Americas – EIN: 26-3701623
- Project Hope – EIN: 53-0242962
- Save the Children Federation, Inc – EIN: 06-0726487
- U.S. Fund for UNICEF – EIN: 13-1760110
- USA for UNHCR – EIN: 52-1662800
- Water Missions International – EIN: 57-1116978
- World Central Kitchen (WCK) – EIN: 27-3521132