

CREATIVE WAYS TO GROW IN YOUR GENEROSITY

Generosity Initiatives rely on church members making gifts that expand and accelerate their current level of giving. The best path to increased giving is the spiritual path, where you set your heart on things above. Financial priorities then take shape from the spiritual priorities.

One way of defining this is *“Lifestyle Stewardship,”* a term used to describe a level of giving that affects one’s living. The challenge of Lifestyle Stewardship is to find ways, boldly and prayerfully, to let your giving touch your living!

King David declared, *“I will not sacrifice to the Lord my God burnt offerings that cost me nothing.”* (2 Samuel 24:24 NIV) David understood the gift that would touch the heart of God must first touch the heart of the giver! This is the spirit of Lifestyle Stewardship: If it is for my God, my gift must have value and meaning to me.

Often, Lifestyle Giving means giving up something in one area so that you can give more of yourself in another. The three keys to effectiveness in Lifestyle Stewardship are:

REASSESS LIFESTYLE

REARRANGE PRIORITIES

REALLOCATE RESOURCES

Many believers have been amazed at their ability to give more generously to their church. The following seven steps are offered to help you in this regard.

1. PRACTICE PRIORITY BUDGETING

Many families will choose to rearrange their priorities and give up something in their current budget in order to give more to a generosity initiative. Priority budgeting may mean postponing a planned expenditure such as a new car,

vacation, home remodeling, or other major purchase. Many Christians giving to capital stewardship campaigns find a way to give through sacrificial commitments made in faith and coupled with priority budgeting.

2. REDIRECT PRESENT EXPENDITURES

Often, families have significant short-term expenditures for special needs. One example is the large expenditure a family incurs for a child to attend college. A family realized that their daughters would be graduating from college during the two years of the generosity initiative and, as a result, they were able to increase their commitment to the second year of the campaign by thousands of dollars by giving what they had been spending on their daughters' tuition. Another example would be the cash flow that is freed up when a loan is paid off.

3. INCREASED GIVING WITH INCREASED INCOME

Some people receive periodic increases in salary or bonuses from their employers. The temptation for many of us is to increase our lifestyle to fit the higher income. In many instances, families have decided that they will commit the full amount of salary increases.

4. GIVE FROM YOUR EXCESS

A young man decided that two collectors' baseball cards worth over \$20,000 he had been holding for a number of years would be the most appropriate means of touching sacrifice for his family. Some families save money over a period of years for a special project. A couple had saved \$80,000 to build a lake cabin. When their church entered a generosity initiative, they decided the needs of the church were greater than their need for a second home.

5. COMMIT UNEXPECTED CASH

Often, people pray for God to show them a way they can give beyond what they can presently see or afford. Sometimes, the answers come unexpectedly. A couple had been praying for weeks about their commitment to the church generosity initiative. Much to their surprise, they received an inheritance of several thousand dollars. They gave the entire amount to their church as part of their two-year commitment, in addition to a commitment from their regular income.

6. SACRIFICE YOUR EXTRA TIME

Some family members have extra time they would be willing to use in a part-time job to be able to give more to the church. This is particularly true for families whose children are grown and away from home and for semi-retired or retired couples. A man was in the process of retiring when his church entered a campaign. He and his wife secured new jobs and gave the first two years of their retirement income to the generosity initiative.

7. DONATE APPRECIATED ASSETS (STORED RESOURCES)

Many people own stocks that are worth significantly more than the original purchase price. That is good news. The bad news is that if these stocks are sold, a significant portion of the gain would be lost to taxation.

Gifts of appreciated assets—typically investment securities or real estate—can be very advantageous to both the donor and to the church. By transferring ownership of the asset to the church, the donor avoids capital gains taxes on the sale of the asset. In addition, the donor receives an income tax charitable deduction for the full market value of the asset. That, in effect, makes these gifts less costly to make.

	Sell asset and gift net proceeds	Give asset directly
Value of Asset	\$20,000	\$20,000
Original Purchase Price	\$5,000	\$5,000
Amount of Appreciation	\$15,000	\$15,000
Capital Gains Tax*	\$2,992	\$0
Proceeds to Church (asset value minus taxes)	\$12,008	\$15,000

*Assumes 12-month holding period, 15% capital gains tax, 4.95% state income tax rate - (rounded)

Though it is important to invest your giving to further the mission of the ministry God has laid on your heart, it is also important to consider the tax implications of making a gift to the church. Before making a commitment of this type, please consult your CPA, tax attorney, or other financial advisor.

8. CONSIDER THE CHARITABLE IRA

In 2015, Congress enacted a permanent extension of the IRA charitable rollover. As a result, individuals age 70½ or older can make gifts directly from their IRA to charity. An IRA charitable rollover is a wonderful way you can help continue our work and also receive a tax benefit this year.

BENEFITS OF AN IRA CHARITABLE ROLLOVER

- Avoid taxes on transfers of up to \$100,000 from your IRA to The Fields
- Satisfy your required minimum distribution (RMD) for the year
- Reduce your taxable income, even if you do not itemize deductions
- Make a gift that is not subject to the 50% deduction limits on charitable gifts

A FINAL WORD

Giving does not have to be in equal increments over the two-year period of the campaign. You might be able to give more in the second year than in the first. As you think about your financial commitment to the campaign, think not just of your potential to give right now, but also of your potential to give in the future. It might be that you can make a two-year commitment in which 35-40% is given in the first year, and 60-65% is given in the second year.

Finally, as you consider your financial commitment to the Lord's work, you might want to consider estate planning. Many sincere, committed Christian people have not made provision for God in their wills and estate planning. Now might be a good time to do that. It might be as simple as including a provision in your will that 10% of the value of your estate will be donated to the church holding your letter of membership at the time of your passing. Or, it could involve a planned gift such as a charitable remainder trust. While such gifts do not provide immediate financial benefit to a generosity initiative, they are marvelous gifts of faith commitment to carry on the work of the church for future generations.