

## 10 WAYS TO GIVE SMARTER AT THE END OF 2020

### 1) DEDUCT \$300 WITHOUT ITEMIZING

This year only! You can deduct \$300 of charitable gifts without itemizing. The \$300-limit is one per tax filing unit. (So, married couples filing jointly don't get \$600.) This must be a cash gift paid to an operating nonprofit. (So, not to a donor advised fund.)

### 2) DEDUCT UP TO 100% OF YOUR INCOME

This year only! You can deduct up to 100% of your adjusted gross income using charitable gifts of cash. These gifts must go to an operating nonprofit. (So, not to a donor advised fund.)

### 3) COMBINE A ROTH CONVERSION WITH A DONATION

A Roth conversion moves money from a standard IRA into a Roth IRA. The benefit: all distributions from the Roth IRA are tax-free. (Even distributions of future growth are tax-free.) The downside: the money moved into the Roth IRA counts as immediate income.

However, this year only, up to 100% of income can be offset by charitable deductions. This includes income created by a Roth conversion. If you already have a multi-year charitable plan or pledge, donating it all this year and combining with a Roth conversion might make sense.

### 4) MAKE IRA GIFTS @ AGE 70½ +

IRA accounts have no required minimum distribution (RMD) in 2020. But those age 70½ or older can still make gifts directly from an IRA to a nonprofit up to \$100,000. This gift donates pre-tax dollars. The earned income is never taxed because it goes directly to the nonprofit.

### 5) MOVE YOUR 401K/403B INTO AN IRA NOW TO PREPARE FOR FUTURE IRA GIFTS

RMDs will return next year for those age 72+. A qualified charitable distribution from your IRA or IRA rollover reduces RMD. It's a great way to give!

To do this with a 401(k) or 403(b), you must first convert the account into an IRA rollover. But conversion requires first taking any RMD from the 401(k) or 403(b). You must pay taxes on that distribution.

You can avoid that by making the conversion this year. There are no RMDs in 2020. So, you can convert your 401(k) or 403(b) into an IRA rollover. And you can do it without paying any taxes, even if you are age 72+. Then, you'll be set up to make future donations from your IRA rollover whenever you want.

### 6) IRA GIFTS @ AGE 59 ½ – 70½

IRA withdrawals during this age create no penalties. But they are taxable. However, this year cash gifts can be deducted up to 100% of income. If you are already itemizing deductions, this can help offset the tax impact from an IRA withdrawal.

### 7) IRA BENEFICIARY V. GIFT IN A WILL

Many people like to include a charitable gift in their will to support a cause that has been important in their lives. One tax-smart strategy is to leave part of an IRA, 401(k), or 403(b) account to a nonprofit. (It's easy to change account beneficiaries by contacting the financial institution.)

Why is this smart? Because heirs pay income taxes on this money. Starting this year, heirs (except spouses) must take out all funds (and pay taxes) within 10 years of inheriting. But any part left to a nonprofit avoids these taxes. So, if you're leaving anything to a nonprofit, use these accounts first.

### 8) MAKE A CHARITABLE SWAP: GIVE APPRECIATED INVESTMENTS WITHOUT CHANGING YOUR PORTFOLIO

Donating appreciated assets creates TWO tax benefits. The tax deduction is the same size as a gift of cash. (The asset must have been owned for a year or more.) PLUS, you avoid paying capital gains tax.

With a charitable swap, you donate old shares of stock and immediately purchase new shares in the same company. Your portfolio doesn't change. But the capital gain is removed. (There is no waiting period. Why? Because this is gain property not loss property. So, the "wash sale" rule doesn't apply.)

### 9) TAKE AN IMMEDIATE DEDUCTION FOR DONATING INHERITANCE RIGHTS TO HOMES OR FARMLAND

Many people like to include a charitable gift in their will. But you can donate the inheritance rights to farmland or a home using a special deed instead. Doing this creates an immediate income tax deduction. Right now, these deductions are large because interest rates are low.

### 10) BUNCH GIFTS WITH A DONOR-ADVISED FUND

The 2018 tax law created much higher standard deductions. Fewer people can use charitable deductions because they aren't itemizing. One way around that is to "bunch" charitable gifts.



## QUARTERLY UPDATE

FIRST PREZ HONOLULU | [www.raisethesails.org](http://www.raisethesails.org) | DECEMBER 2020

### DEAR FIRST PREZ 'OHANA,

We've reached the midpoint of our Raise the Sails (RTS) Generosity Journey, and so far I have nothing but gratitude and awe for the way you have stepped out in faith to please God. Mahalo for your decision to be part of Raise the Sails and leave a legacy of being all-in for Jesus.

As you read through this quarterly update on RTS, know that your support is making a difference not only through physical improvements in our campus but also in other people's lives. It is spurring others to trust God more and, as a result, have more meaningful encounters with Him.

When we launched RTS in October 2019, we studied the book of Joshua and focused on the verse "Be strong and courageous. Do not be afraid; do not be discouraged, for the LORD your God will be with you wherever you." (Joshua 1:9) We even had orange-and-black wrist bands made with the verse etched on them (remember that?). Little did we know that the Lord was going to use that verse and the whole study of the book of Joshua to prepare us for the unheard-of challenges of 2020! Maybe we should still wear those wrist bands to encourage ourselves during this difficult pandemic season.

Joshua believed in God's promises and obeyed Him in spite of difficult circumstances. I believe we are called to do the same. Stepping out in faith with our finances is not an easy thing, especially at this time. It requires trusting the Lord, the Maker of heaven and earth, to supply our needs.

And what's making it even more special is the fact that we are doing this generosity journey TOGETHER. We are trusting God TOGETHER. We are living out generosity TOGETHER. We are being transformed to be more like Jesus TOGETHER.



Blessed by you,

*Pastor Dan*

Dan Chun | Senior Pastor

## FRESH WIND THE NUMBERS

FRESH WIND COMMITMENTS  
FAMILIES THAT RESPONDED

>500

TOTAL NUMBER OF NEW  
COMMITMENTS

132

NEW & EXPANDED  
COMMITMENTS  
(DEC 2019-NOV 2020)

\$257,436

WE PRAISE GOD AND THANK  
YOU FOR YOUR GENEROSITY!

**RAISE THE SAILS (RTS) GOAL UPDATES**  
Dec 1, 2019 to Nov 30, 2020

(PRE-FRESH WIND)  
\$11,463,313

**TOTAL PROJECTED RTS INCOME OVER 2 YEARS (DEC 2019-2021):**  
\$12,349,624

**ACTUAL RTS INCOME RECEIVED AS OF NOV 2020:**  
\$5,491,418

**PROJECTED RTS INCOME BY NOV 2020:**  
\$5,129,833

★ ★ ★ ★ ★  
**107% RECEIVED FROM PROJECTED AMOUNT!**

*All gifts to First Prez Honolulu from Dec 2019 to Dec 2021 count toward the Raise the Sails goal. Thanks for being a part of it!*



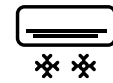
**KO'OLAU PROPERTY UPDATES**

Because of your financial support, we can continue to keep our Ko'olau campus in good condition for the Lord's work.



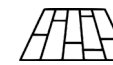
**ROOF**

Our roof continues to leak, but we will soon move to execution phase of our roof replacement. It's a complicated project not only because of the large expanse of the roof, but also having to work with 1,000 solar panels. Pray for good weather and wisdom for us and the contractors so we can accomplish this safely, quickly, and in budget.



**AIR CONDITIONING**

There are currently two chillers that provide cooling for the building. One of the units is nearing end-of-life (installed 2011). We need both chillers to provide a comfortable environment for all our events when in-person gatherings are allowed again.



**NEW FLOORING FOR KO'OLAU KIDS**

We're planning to replace 7500 square feet of 30-year old carpeting in the Ko'olau Kids area downstairs with vinyl plank flooring to improve the environment for our keiki. We'd like to do this project with the support of volunteers, so if you can help, email davidchang@fpchawaii.org

**WAYS TO GIVE**

- 1 ONLINE** through the website: [www.fpchawaii.org/give](http://www.fpchawaii.org/give) or [www.raisetheSails.org/give](http://www.raisetheSails.org/give) where you can make a one-time gift or set up recurring gifts.
- 2 TEXT-TO-GIVE:** Text "FPCHI" to 77977 and follow prompts
- 3 FIRST PREZ APP:** Choose the GIVE button on the app and follow prompts. If you don't have the app, go to the App Store (for iPhones) or Google Play (for Android phones), search for "First Presbyterian Honolulu," then download it.
- 4 MAIL** your check to the church. We can also send you pre-addressed, stamped envelopes that you can use to send in your gift. Call the church office at (808) 532-1111 to request those envelopes.



**QUESTIONS REGARDING YOUR GIVING OR HOW TO SET UP RECURRING GIFTS?**

Contact Debbie (bookkeeper):  
[dentact@hawaii.rr.com](mailto:dentact@hawaii.rr.com)  
(808) 836-9995

To learn more about RAISE THE SAILS, visit

[RAISETHEAILS.ORG](http://RAISETHEAILS.ORG)

HEAR WHAT GOD HAS **DONE** THROUGH RAISE THE SAILS

**LIVING OUT GENEROSITY**  
*a testimony from an anonymous donor*

Charles H. Spurgeon once said, "Remember our faith is always at its greatest point when we are in the middle of the trial, and confidence in the flesh will never endure testing. Fair-weather faith is not faith at all."

When I heard Kathy Makuakane's testimony on August 16th, I realized that fear and doubt, like thieves in the night, had moved into my generosity journey. Kathy said, "God is our resource, not carefulness or cleverness." During this pandemic, I had become conscious of my spending and careful with my giving. Somewhere in these past several months, my focus on God as my resource got replaced by my resourcefulness. Confronted with this revelation, I logged into the First Prez GIVE webpage and gave what I knew was not mine but His. No longer was I going to tithe with a careful hand but an open one.

The next afternoon, I got what Kathy called "a kiss on the forehead." I received a lot of correspondence from my mortgage company as I went through the refinance process. In the batch of envelopes that afternoon was one from the bank. When I opened it, I saw written on a check, "For Payment of Escrow to Mortgagor." I stood there in amazement and shock. The amount of the check was close to what I had just tithed after listening to Kathy's testimony. I stood there for what felt like 10 minutes, just looking at the check, processing all that it meant. God showed up! I just got a kiss on the forehead! At that moment, I thanked the Lord for His patience and lovingkindness.

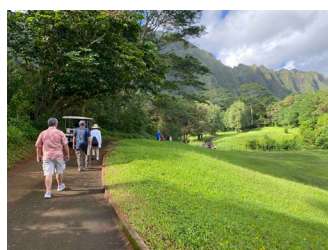
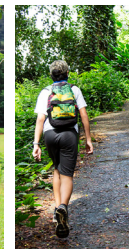
It is with a grateful heart that I write this story. May it fill you with renewed hope.

If you, too, have a story of how you've experienced God's grace and generosity, let us know. Email [aloha@fpchawaii.org](mailto:aloha@fpchawaii.org)

**OUTREACH EVENTS**

**Fresh Wind Prayer Walk**

More than 400 of us walked and prayed around our Ko'olau campus on Nov 14th to pray and ask for guidance from the Lord on what He wants us to do with the property now that the golf course has closed.



**Thanksgiving Outreach**

To help families struggling financially, we distributed Thanksgiving meal packages on Nov 21st, which served more than 500 individuals.

