

# GUIDE TO Paying Pledges



## Your Bank's Bill Pay System

(RECOMMENDED)

### What is this?

Most banks offer an automatic bill payment system that can be set up online. Your bank will send a check to SPR on the schedule you set.

### What are the advantages?

- Banks make this easy to set up, and it's probably already included with your checking account.
- It saves SPR money (as opposed to using our automatic system – see below).
- You can set up your automatic payment schedule once and then forget it.
- You can change your payment schedule and amount whenever you need to.

### How do I do it?

Banks have different systems. Check with your bank for instructions. You can also contact Barnabas Pusnur if you want some help. Call him at (773) 624-3185.



## Personal Checks

### Payable to

Make your check out to "SPR."

The diagram shows a check form with the following fields and labels:

- Payable to:** A dotted line points to the "PAY TO THE ORDER OF" line.
- DATE:** A dotted line points to the "DATE" line.
- Amount:** A dotted line points to the "\$" box and the "DOLLARS" line.
- FOR:** A dotted line points to the "FOR" line.
- Check Number:** A dotted line points to the MICR line at the bottom.

Sample values on the check include "1200" in the top right corner, "12345678" and "9876543210" on the MICR line, and "1200" at the bottom right.

### Use the Memo Line

Be sure to indicate that the check is for Annual Giving



## Cash

### Get Offering Envelopes

If you plan to pay in cash regularly, request your own free, customized Offering Envelopes.

- If you requested offering envelopes when you made your pledge, they will be available to pick up at church starting the first week of January.
- If you haven't requested envelopes yet, it's not too late! Request them by emailing Barnabas Pusnur (pusnur@sprchicago.org).

### Forget Your Envelope?

If you ever forget your Offering Envelope – or if you don't want to order any – you can use any old envelope, BUT be sure to write on it

- Your Name
- "Annual Giving"



## Transfer Stock

### What is this?

Make payments toward your pledges by transferring ownership of appreciated stock to St. Paul & the Redeemer.

### What are the advantages?

When you sell appreciated stock outright, capital gains and income tax on them are never far behind. However, the capital gains tax becomes a non-issue when you make a gift of appreciated stock. And you get a charitable deduction to claim as well.\*

(Stock that has depreciated since you purchased it is also a viable gift. However, unlike appreciated stock, it is better to sell the shares and then donate the proceeds. This allows you to declare a capital loss in addition to claiming a deduction.)

### How do I do it?

1. Email Barnabas Pusnur ([pusnur@sprchicago.org](mailto:pusnur@sprchicago.org)) to request the appropriate form.
2. Fill it out.
3. Send it to your stock broker.
4. **IMPORTANT:**

Send an alert of your gift by email to [treasurer@sprchicago.org](mailto:treasurer@sprchicago.org)

### \*Get Advice

Remember: it's always a good idea to consult your tax and financial advisors about the best options for you.



## Donation from IRA

### What is this?

Make payments toward your pledges from an Individual Retirement Account.

### Required Minimum Distributions (RMDs)

- RMD's must be taken starting in the year when the owner reaches a certain age, often 70.5 years.
- The RMD is the minimum amount that must be withdrawn from the account each year; the withdrawals will be included in the owner's taxable income, with some exceptions.
- If the RMD is given directly to a charity, it reduces taxable income each year by the amount donated. The RMD also can be donated over 2 or 3 years.
- The amount to be donated to the charity must be in the form of a check drawn on the IRA made out directly to the charity (i.e. St. Paul & the Redeemer), so that the funds do not enter the possession of the owner to avoid being counted as taxable income.