

## OPTIONS FOR GIVING

TYPES OF GIFTS	BENEFITS TO DONOR	INCOME TO DONOR	CHOSE THIS TYPE OF GIFT IF YOU NEED
Bequest in Will or Trust	1. Control over distribution 2. Avoids estate tax	None	Flexibility, plus estate tax deduction
Retirement Accounts	1. Estate tax deduction 2. Income Tax owed by recipient is avoided	None	Flexibility, plus estate tax deduction, no income tax on distribution
Life Insurance Policies	1. Tax deduction for premiums paid on existing policy 2. Tax deduction for cash/replacement	None	Deduction, plus increase the size of gift for low cost
Charitable Remainder Trust	1. Tax deduction for charity's remainder interest 2. No capital gains tax	Variable income based on annual value of trust	Income Tax Deduction and Income with growth potential
Life Estate	1. Retain right to live in your personal residence or farm 2. Tax deduction for present value of remainder interest of property 3. Avoids capital gains tax	None, unless property rented	Income Tax Deduction, plus continued use of residence or farm
Charitable Lead Trust	1. Trust principal reverts to donor or family members 2. Allows for transfer of assets to family members at reduced tax cost	None, income to charities	Pass principal to heirs

### Bequests

#### *No minimum Contribution*

One of the easiest and most common ways for you to make a gift to <our organization> is through a bequest in your will or trust. Bequests work particularly well for those who are unable to make an immediate gift, but would like to commit a legacy gift to <our organization> now for future use. Depending on your own financial situation, there are two basic types of bequests gifts to choose from:

- *Specific.* A fixed amount of money, stock, bonds, real estate or other property is designated to benefit T<our Organization>.
- *Residuary.* A percentage of the remaining balance of your estate is designated for <our organization> after other specific gifts are made.

### Charitable Remainder Trust

#### *Suggested Minimum Contribution: \$25,000*

Charitable Remainder Trusts are special legacy gifts that provide income to you and loved ones while allowing you more flexibility in the amount of income, size of tax deduction and the size of your legacy gift to <our organization>.

Charitable remainder trusts allow you to choose the income payout rate you want, receive a charitable income tax deduction, avoid capital gains tax, and enjoy other tax advantages including reduced estate taxes.

A Charitable Remainder Trust may be right for you if you would like to continue to receive income from an appreciated asset you would like to sell, such as:

Stock                      a second home                      farm property                      an interest in a small business

### Life Insurance

#### *No minimum Contribution*

A simple legacy gift is to designate a life insurance policy for the benefit of <our organization>. There are no out of pocket costs for you and <our organization> will benefit from the proceeds after you are gone. Another way to give Life Insurance and receive a current income tax deduction is to name <our organization> as the beneficiary and assign us ownership. You continue to pay the premiums to maintain the policy, allowing <our organization> to receive the death benefit at a fraction of the cost of a much larger gift.

### Retirement Plan Assets

#### *No minimum Contribution*

If you are considering a charitable bequest, you can often reduce or eliminate a potential income tax burden to your heirs by designating one or a portion of your IRA accounts for the benefit of <our organization>. An IRA

gift to <our organization> results in no income tax owed by your heirs on the untaxed portion of your accumulated retirement plan. Using the “right” asset for a charitable bequest can have favorable tax consequences for your beneficiaries thus preserving the value of your bequests to them. A simple beneficiary designation form is all you need to complete an IRA gift to <our organization>.

Because the gift you designate to <our organization> can be deductible for estate tax purposes, it is important to talk with your legal and financial advisors about your specific situation.