

# Ways To Give to the Bruton Parish Church Foundation

## *A Bequest in your Will or Trust*

Perhaps the easiest and the most common way of making a planned gift is through your will or trust. Yet, some fifty to seventy percent of all church members die without a will or trust. By making a will, you appoint your own administrator and you can share your resources with your family, church and other institutions as you choose.

A bequest can take the form of a set amount of money, a percentage of an estate, a specific asset, a trust or the naming of the Foundation as a contingent beneficiary. Simple language for including the Foundation in your will or trust might be:

“I give (insert specific amount, asset or percentage of residue of estate) to the Bruton Parish Church Foundation, Inc., Williamsburg, Virginia for its general purposes.”

## *Life Income Gift*

Life Income Gifts provide you an income in return. They can be established in several ways:

**Charitable Remainder Trust** is created by transferring assets to a trust naming the Foundation as the remainder beneficiary. In exchange, you or your designated beneficiaries receive annually for life or a set term of years either a fixed dollar amount (a charitable remainder annuity trust) or a fixed percentage of the value of the trust assets, as revalued annually (a charitable remainder unitrust). At your death or the termination of the trust, the assets of the trust are transferred to the Foundation. Charitable Remainder Trusts usually involve large sums of money (\$100,000 or more) and are individually managed.

A Charitable Remainder Trust provides income for life, an income tax deduction, relief from capital gains taxes (if funded through appreciated property) and a possible reduction in estate taxes.

**A Charitable Lead Trust** enables you to transfer assets to a trust that pays its income to the Foundation or other charitable organization for a set period of time. At the end of the term, the principal and all capital appreciation is returned to you or your named beneficiaries. The donor receives income and gift tax deductions if the trust is created during life or an estate tax deduction of created at death.

## *Gifts of Retirement Plans*

Assets held in a qualified retirement plan may be a tax-efficient source of funding for making a gift to the Foundation upon death. Complex rules apply to the transfer of retirement plan assets to a charity. A number of factors must be considered whether naming the Foundation as a beneficiary of your retirement plan is in your and the Foundation's best interest.

## *Gifts of Life Insurance*

Life insurance is a popular and convenient way to make a sizeable gift to the Foundation. For example ...

- You can purchase a new policy and make the Foundation the owner and beneficiary of the policy. *This enables you to “leverage” your gift, ultimately making a larger gift than otherwise possible. Premiums become tax deductible.*
- You can make the Foundation the owner and beneficiary of an existing policy. *The current value of the policy is tax deductible, as are future premium payments.*
- You can make the Foundation a contingent beneficiary of an existing policy, i.e., name the Foundation to receive the proceeds of the policy if the designated beneficiaries predecease the insured.

## *A Gift of Property Reserving a Life Estate*

Another way of making a planned gift is by deeding your home, vacation home, farm, ranch, or condominium to the Foundation. Through a charitable life estate contract, you retain the right to live on the property for as long as you or your beneficiary lives.

## *Gifts of Appreciated Property*

Securities, real estate, or tangible personal property can be an excellent means of making a gift to the Foundation. You do not pay federal capital gains taxes if the appreciated securities or real estate are transferred to the Foundation. Normally, the value of the shares for gift and tax purposes is the fair market value, not the original purchase price.

It is important to transfer the appreciated stock or real estate to the Foundation prior to selling it. However, if securities or real estate have decreased in value, you should sell the assets before making the gift, thus establishing a capital loss and a potential tax deduction.

Gifts of tangible personal property, such as jewelry, coins, stamp collections, furniture, works of art, antiques, automobiles, boats, etc., may be given to the Foundation. You are responsible for setting an appraised value on the gift. Any gift over \$5,000 must be independently appraised.

*Gifts of real estate, personal property and life insurance are subject to review by the Board of Directors of the Foundation to determine acceptance.*

*The information contained herein is intended for general information and discussion purposes only. It does not constitute legal advice and is not guaranteed or promised to be accurate, current or complete. The facts and tax consequences of each person's situation vary and any examples provided are hypothetical. You should not rely or act upon this information without first seeking advice from your attorney and/or tax advisor.*