THE BRUTON PARISH
CHURCH FOUNDATION, INC.

Planned Giving to the Bruton Parish Church Foundation
A Summary of Six Ways to Give

Thank you for considering a gift to the Foundation.
This information is for general information & discussion purposes with an attorney or qualified financial planner.

1. Bequest in a Will or Trust

Perhaps the easiest and most common way of making a planned gift is through your will or trust, yet some 50 to 70 percent of all church members die without any written estate plan.

If you die without a properly prepared estate plan, state intestacy laws will govern the distribution of your assets. Intestate probate administration does not provide for charitable contributions, and nor does it minimize the potential impact of estate taxes. A purposeful estate plan will avoid intestacy, allowing you to provide for your family and for religious organizations after you die.

A bequest in a will or trust is a gift at death that may be a specific amount of money, a percentage of your estate, or a specific asset. If you would like to leave a gift to the Bruton Parish Church Foundation, consider using language such as: "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."

2. Life Income Gift

Some forms of charitable planning allow a donor to make a gift to the Foundation but retain an income interest, or to give away an income interest to the Foundation, with the remainder to the donor's family.

A Charitable Remainder Trust is created by transferring assets to a trust naming the Foundation as the trust's 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 larger sums of money ($100,000 or more) and are individually managed. A Charitable Remainder Trust may provide the donor with income for a period of time, an income tax deduction, relief from capital gains taxes in the case of a gift of 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 for a set period of time. At the end of the term, the principal and all capital appreciation are 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 if created at death.

3. Life Insurance

Life insurance is a popular and convenient way to make a sizeable gift to the Foundation. Some options:

- 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 much larger gift than otherwise possible. Premiums may be tax deductible.
- Make the Foundation the owner and beneficiary of an existing policy. Some or all of the current value of the policy, as well as future premium payments, may be tax deductible.
- 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.

4. Retirement Plan

Upon death, assets held in a qualified retirement plan may be a tax-efficient source of funding for a gift to the Foundation. Rules applying to the transfer of retirement plan assets to a charity and other factors must be considered. If you are 70.5 years of age, and therefore taking the required minimum distribution (RMD) from a traditional IRA, an amount processed as a qualified charitable distribution (QCD) to the Foundation could satisfy both your charitable wishes and your RMD, while lowering your tax bill.

5. Property — Reserving a Life Estate

Deed your home, vacation home, farm, ranch, or condominium to the Foundation, reserving a life estate for yourself and your spouse. Through a properly structured charitable life estate contract, you retain the right to live on the property for as long as you or your beneficiary live. You receive an income tax deduction when the property is deeded to the Foundation, you avoid capital gains taxes when making the transfer, and your estate taxes may be reduced at the time of your death.

6. Appreciated Property

Securities, real estate, or tangible personal property can be excellent means of making a gift to the Foundation. You do not pay federal capital gains taxes if appreciated securities or real estate are donated to the Foundation. Gifts of tangible personal property, such as jewelry, coins, stamp collections, furniture, works of art, antiques, automobiles, boats, etc., may also be given to the Foundation. Any gift over $5,000 must be independently appraised. *Proposed gifts of life insurance, real estate and personal property must be submitted to review by the Board of Directors of the Foundation.*

For more information, contact Marty Easton, Development Director (757-345-2256).

The information contained in this document does not constitute legal advice or substitute for consultation with an attorney or qualified tax advisor.
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