



# Gift Planning

guide

Spring Valley  
Presbyterian Church



*Therefore, since we are surrounded by so great a cloud of witnesses, let us also lay aside every weight, every sin which clings so closely, and let us run with perseverance the race that is set before us, looking to Jesus, the pioneer and perfecter of our faith, who for the sake of the joy that was set before him endured the cross, disregarding its shame, and has taken his seat at the right hand of the throne of God. Hebrews 12:1-2*

*God has given us two hands—  
one to receive with and  
the other to give with.*

*-Billy Graham*



Hebrews 12:1-2  
*Run With Perseverance  
 The Race Set Before Us*

## Spring Valley Presbyterian Church 2008 Capital Campaign



Spring Valley  
 Presbyterian Church  
 Columbia, SC

Fall 2008

Dear Spring Valley Friends,

As we prepare to enter the next chapter Spring Valley's life together, you are receiving this Gift Planning Guide in the hope that it prompts you to prayerfully consider how you might support the Mission and Ministry of our church during the course of your lifetime and beyond. Our church, the church of our childhood, the church across town...most churches seem strangely silent when it comes to asking church members to consider a "Planned Gift." It is our hope and prayer that Spring Valley will begin to think about this form of stewardship in a new way.

In the Session Minutes of Spring Valley Presbyterian Church dated June 21, 1998 there is a brief note which reads, "\$40,000 has been received from the Buzhardt Estate." Somewhere during the course of her life and membership at Spring Valley, Mrs. Buzhardt made a conscious decision to remember the church in her Will. She took the time to read material similar to the information contained in this booklet, she prayed about it and pondered her decision light of her understanding of what it meant to be a follower of Jesus. She then spoke with her legal advisors about it and she signed the legal documents which made her gift a reality upon her transfer from the Church Militant here on earth to the Church Triumphant in heaven. Her generous act enabled the leadership of our church to receive funds for Mission and Ministry which they would not have had without her faithful decision to make this bequest a reality.

Please take time to read this booklet from cover to cover. Consider using your Will as an instrument and expression of your Christian faith. Consider using your Will as a method for continuing to support the Mission and Ministry of our church in future years when our children will be the Elders and Deacons and members of Spring Valley Church.

Like your pledge to the church, using your Will to make a Planned Gift to Spring Valley is a personal matter. We make such gifts following the admonition of the Apostle Paul: "Each of you must give as you have made up your mind, not reluctantly or under compulsion, for God loves a cheerful giver." (II Corinthians 9:7)

Sincerely  
 The 2008 Capital Campaign Committee

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*Therefore, since we are surrounded by so great a cloud of witnesses, let us also lay aside every weight, every sin which clings so closely, and let us run with perseverance the race that is set before us, looking to Jesus, the pioneer and perfecter of our faith, who for the sake of the joy that was set before him endured the cross, disregarding its shame, and has taken his seat at the right hand of the throne of God. Hebrews 12:1-2*

## Suggestions for Planned Gifts

### Would you consider?

- 1** Designating a portion of your planned gift to be paid toward the existing debt owed by Spring Valley Presbyterian Church
- 2** Endowing your annual pledge to the church
- 3** Making an undesignated planned gift/bequest to the church
- 4** Making a designated gift to the church endowment fund
- 5** Making a designated gift toward future construction at the church (Life Center)
- 6** Making a designated gift for enhancing our church property, repairing our physical plant, making improvements, etc.
- 7** Endowing an Annual Lecture Series or Annual Mission Trip
- 8** Endowing an Annual Music Event or Academic Scholarship
- 9** Endowing a Missionary in Residence or Theologian in Residence Program
- 10** Gifting the Church with a house for use as lodging for Missionary/Theologian in Residence
- 11** Remembering Presbyterian institutions in your will (Presbyterian Home, Presbyterian College, Thornwell, Montreat, etc.)
- 12** Gifting real property to the church for use as a church retreat site or church camp or perhaps for resale

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# Spring Valley Presbyterian Church

## The Origins of Spring Valley Presbyterian Church

(Excerpts from: *The First Twenty-Five Years: 1977-2002* by Steven E. Bower, Ph.D.)

On Sunday, March 6, 1977, twenty-three people gathered for the purpose of determining the level of support and commitment for establishing a new Presbyterian Church in the Spring Valley area of Richland County, South Carolina. Congaree Presbytery had been preparing for this moment for nearly six years. In 1971 the Presbytery had purchased six acres of land for the express purpose of building a new Pres-

byterian Church.

The Steering Committee met for the first time on Sunday, March 13, 1977 in the home of June Licata. They prayed first and foremost that their work be pleasing to God but hoped to create a family-oriented church, encourage the development of a full

youth program, and nurture the kind of fellowship that extended into the week beyond Sunday church service.

Invitations were sent out by the Steering Committee inviting residents to attend the new church's first worship service on May 1, 1977 at 11:15 a.m. in the Wildewood School. Forty-Seven people attended the first service. Rev. Cecil D. Breamly shared scripture from Matthew 16:13-20 and deliv-

ered the first sermon entitled "The Ideal Church." Three hymns were sung that morning: "My Hope is Built on Nothing Less," "Blessed Assurance, Jesus in Mine," and "The Church's One Foundation." The first offering totaled \$695.75 and was invested in a Certificate of Deposit earmarked for the Building Fund."

November 13, 1977 was designated as the Sunday on which Spring Valley Presbyterian Church would be Commissioned as a new congregation of Congaree Presbytery. Fifty one members were in attendance at this service held in the Wildewood School Gymnasium. Rev. Jerry Hammet preached the sermon entitled "The House That God Built" based on Ephesians 2:11-22.

Rev. Lamar Potts was called and installed as the Organizing Pastor of SVPC on June 25, 1978. He would serve as Pastor of the church until his retirement on May 4, 2003.

The new congregation met for several months in the Wildewood School facilities and then for a brief time met at Spring Valley High School in the "Little Theater". The first service in the new SVPC Sanctuary was held at 8:00 p.m. on Maundy Thursday, April 12, 1979.

From the time of her organization to the present day, Spring Valley Presbyterian Church has been a beacon of light in Northeast Columbia. May God continue to blesses us as we move into a future which belongs to Him, that we might be a blessing to others.



# Types of Devises

**A Specific Devise** leaves a specific item or amount. For example: “I give and devise the sum of Ten Thousand (\$10,000) Dollars to Spring Valley Presbyterian Church, 125 Sparkleberry Lane, Columbia, South Carolina, or its successors, for such uses and purposes as its governing board shall deem necessary, and proper.” or “I give and devise the sum of Five (5%) percent of my net estate to \_\_\_\_\_.”

**A Residual Devise** provides for the distributions of any assets remaining in your estate after all specific devises have been satisfied. For example: “I give and devise all the rest, residue and remainder of my estate to Spring Valley Presbyterian Church, 125 Sparkleberry Lane, Columbia, South Carolina or its successors, for such uses and purpose as its governing board shall deem necessary and proper.”

**A Contingent Devise** takes effect only if the person(s) designated in the will to receive a particular portion(s) of the estate predeceases the maker of the will.

**For Example:**

“I devise all the rest, residue and remainder of my property of every kind and description (including lapsed desires), wherever situate and whether acquired before or after the execution of this Will absolutely in fee simple to my wife, Sara Brown, if she shall survive me. If my said

wife shall not survive me, then I devise all of said property to my children, in equal shares, provided, however, the issue of a deceased child shall take his or her parent’s share per stirpes. If at the time of my death I am not survived by my wife, any of my children, or any of my children’s issue, I devise all of said property as follows:

1. Fifty (50%) percent thereof to Spring Valley Presbyterian Church, 125 Sparkleberry Lane, Columbia, South Carolina, or its successors, for such uses and purposes as its governing board shall deem necessary and proper; and
2. Fifty (50%) percent thereof to (other charity) located at \_\_\_\_\_ or its successors, for such uses its governing board shall deem necessary and advisable.”

Two of life’s certainties, death and taxes, with all of their important aspects seem to get little planning time. A great majority of Americans die without a will despite the fact that most people have some assets, as well as loved ones about whom they are concerned. We should provide for the well being of loved ones and if able, leave bequests for religious and charitable uses.

The following questions can help you consider major issues in planning the distribution

of your estate. These, and others, should be reviewed carefully, and in greater detail, with your lawyer.

- Do you have a will? Does your spouse?
- Has your will been reviewed in the past few years?
- Have there been changes which would affect your will?
- How are your assets owned? Jointly? Individually?
- Is your spouse comfortable managing money, or should funds be left in a trust? How about your children?
- How will estate and income taxes impact your estate?
- Where should the property go after your spouse’s death?
- Have you planned for your children’s/grandchildren’s educational or other needs?
- Have you arranged for your spouse’s/parent’s long-term health care needs?
- Are there any other beneficiaries? Church? Charities?
- If you own a business, do you have a buy/sell agreement to ease the transfer of the company stock?

If you wish to include a bequest for Spring Valley Presbyterian Church in your will, you should consult your lawyer who can advise you as to tax and other appropriate considerations.

# Outright Gifts

In evaluating your total financial picture, you may decide that it would be preferable, for tax or other reasons, to make an outright gift of cash or other assets right away.

Outright gifts of cash represent a vital and important source of financial support for Spring Valley Presbyterian Church. They are the easiest gifts to make – and to receive. You are entitled to an income tax charitable deduction equal to the full value of the gift – provided that your charitable deductions do not exceed 50% of adjusted gross income (AGI) in the year the gifts are made. (Any unused portion of the deduction may be carried over into the next five tax years.)

*Example:* Mr. Augustus has AGI of \$85,000 this year. He contributed \$50,000 to Spring Valley Presbyterian Church. He can deduct \$42,500 this year ( $\$85,000 \text{ AGI} \times 50\%$ ); the remaining \$7,500 can be deducted in the next tax year (assuming his AGI in the next year is at least \$15,000). Mr. Augustus' gift of \$50,000 to Spring Valley Presbyterian Church is fully deductible.

## Gifts of Securities

### Benefits

- Income tax deduction
- Reduced estate taxes
- Avoidance of capital gains
- Knowledge you have helped others

A gift of appreciated securities enables you to make a substantial charitable gift with a low original cost. When donating appreciated securities, you avoid paying capital gains tax and receive an immediate income tax deduction equal to the full value of the gift, provided that your charitable deductions do not exceed 30% of

your AGI. (Again, any excess may be carried forward for up to five years.)

*Example:* Mrs. Breen donated long-term stock which cost her \$25,000 and is now worth \$90,000. Her AGI is \$120,000 this year. She is entitled to a \$36,000 charitable deduction for the current year ( $\$120,000 \times 30\%$ ) and avoids tax on the \$65,000 appreciation. She is entitled to a deduction of \$36,000 for the next year or 30% of her AGI. The third year, she receives the benefit of the remainder of the deduction.



## Gifts of Real Estate

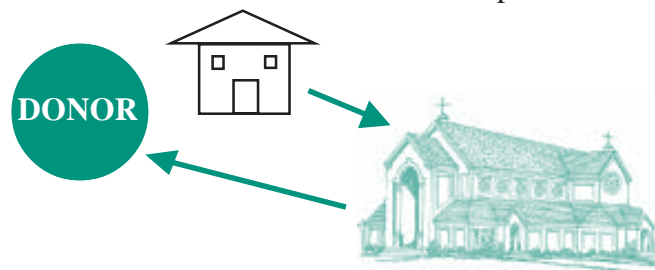
### Benefits

- Income tax deduction
- Reduced estate taxes
- Avoidance of capital gains
- Knowledge you have helped others

A gift of real property may be very beneficial for Spring Valley Presbyterian Church and offer you significant tax benefits. The benefits depend on a variety of factors including how the property is

used, how marketable it is, and whether or not there is a mortgage.

When a piece of unmortgaged property is given outright, the donor receives an income tax deduction for the full market value of the property, and avoids paying capital gains tax. (You may deduct 30% of your AGI for the current year, any excess may be carried over for up to five years.) Spring Valley Presbyterian Church may actually use the property, or sell it and use the proceeds.



# Life Income Gifts

Many people who desire to make special gifts are faced with the dilemma of strong charitable intent on one hand, but a need to have sufficient resources to support themselves on the other. Worried that they might “outlive” their resources, they hesitate to commit to a gift that they truly desire to make. A Life Income Gift could be the solution.

Life income plans allow you to make a present gift to Spring Valley Presbyterian Church in return for lifetime income payments. It is as if you are giving away the vine, but are still able to enjoy the fruits of the harvest each year. This is a financial and philanthropic arrangement in which a charitable gift of cash, securities, or other property continues to provide an income to you, and/or another person named by you for life or other period which you specify (not more than 20 years). After death of the final income beneficiary, the assets pass permanently to Spring Valley Presbyterian Church.

## Charitable Remainder Trust

A trust, of which there are many types, is simply a legal document appointing someone to manage assets (the trustee) for the benefit of someone (the beneficiary). The beneficiary can be the creator of the trust (the trustor) or others that the trustor might name. The benefits are two-fold— payment of income to a

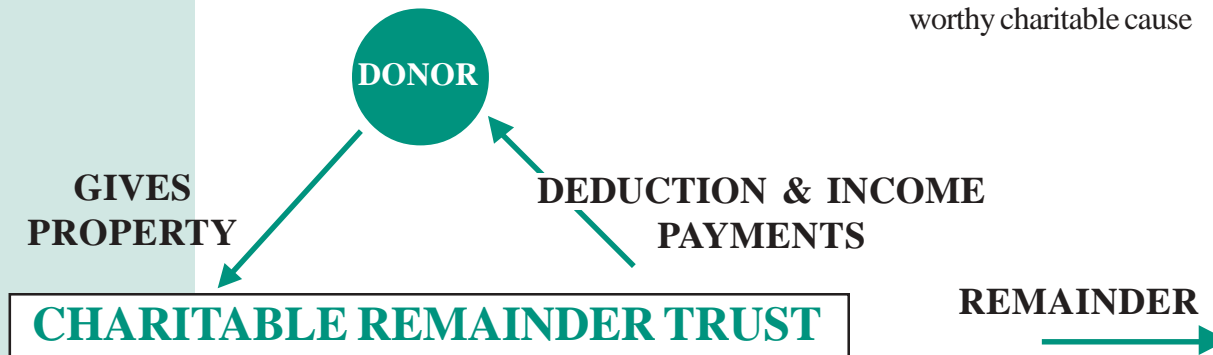
beneficiary(ies) and principal to a remainderman(men). A trust is not, by nature, complex and expensive. A Charitable Remainder Trust (CRT) is a type of trust which you need not be extremely wealthy to use and which will benefit Spring Valley Presbyterian Church as well as you and your family.

*The advantages of a CRT are:*

1. A secure source of annual income
2. An enhanced source of annual income
3. An immediate income tax deduction
4. An estate tax shelter
5. A capital-gains tax break on appreciated securities and other property
6. A substantial benefit to a worthy charitable cause

***In gratitude for your own good fortune you must render in return some sacrifice of your life for another life.***

*–Albert Schweitzer*

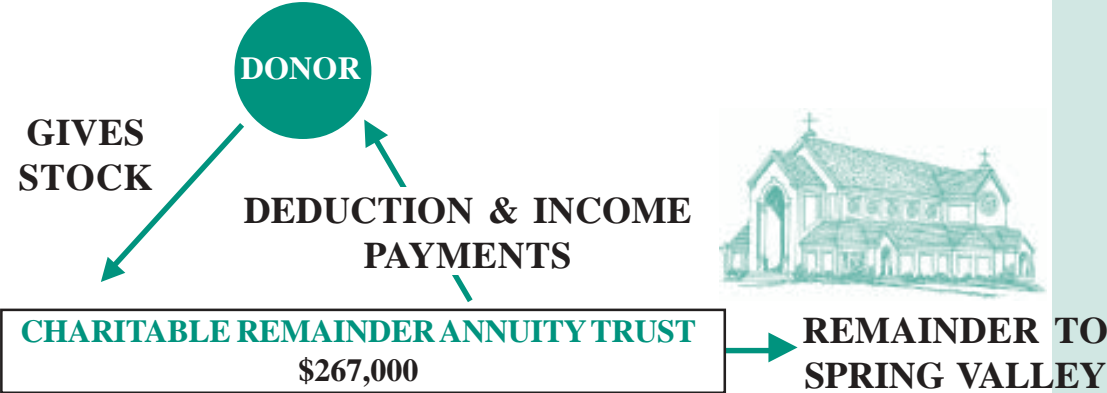


# Charitable Remainder Annuity Trust

An annuity trust pays a fixed dollar amount – at least 5% of the fair market value of the donated assets at the time of the gift. Any income not paid out is added to the principal. If income is insufficient to pay the required amount, the principal is invaded to make up the deficit. Your income tax deduction depends upon your age, the age of other beneficiaries (if any), the agreed upon percentage of the trust, and fair market value of the assets donated. Once again, there is no capital gains tax on this gift of appreciated property. The Annuity Trust is a good fit for individuals who need a reliable fixed amount of income.

Example: Mr. Donald owns appreciated stock from the company for which he was a lifetime employee. He donates these securities to establish an annuity trust with a value at the time of the gift of \$267,000, naming himself and his wife as lifetime beneficiaries. The trust agreement provides for annual pay-

ments to the couple and then to the surviving spouse of \$16,020, or 6%. The annual payments are taxable. At the death of the surviving spouse, the remainder of the trust’s assets go to Spring Valley Presbyterian Church for the purposes designated by Mr. Donald.



*Remember that what you possess in the world will be found at the day of your death to belong to another, but what you are will be yours forever.*

*–Henry van Dyke*

# Charitable Remainder Unitrust

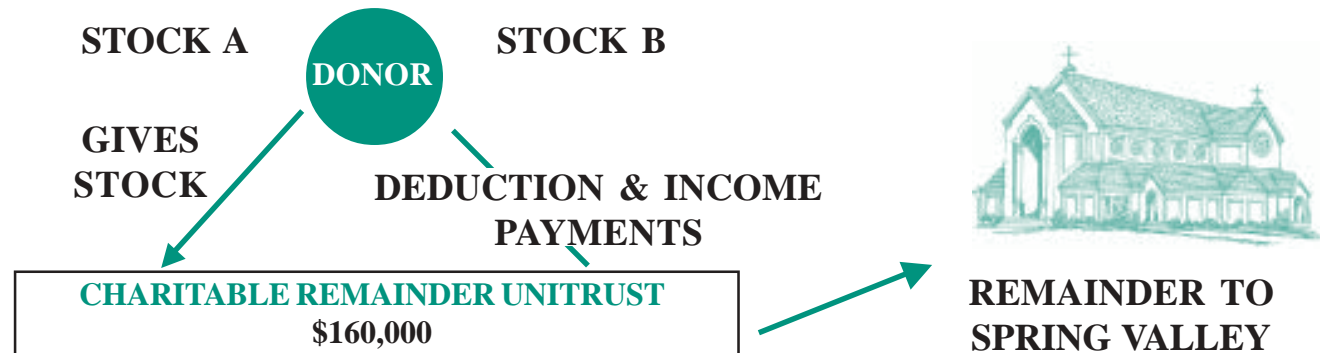
A unitrust pays a variable income. An agreed upon percentage, (at least 5%) of the fair market value of the trust's assets, as valued each year, is paid annually. You may elect a "standard unitrust" where excess earnings are always reinvested in the trust, and in which principal is invaded to pay the elected percentage rate when earnings are insufficient to do so. Or you may choose a "net income unitrust" where either the agreed upon percentage or the actual income from the trust is paid, if the income is less than the agreed payout. A variation on this option is a "net income with make-up" provision which allows deficiencies in payouts

to accrue during low income years to be "made up" in years when earnings exceed the agreed payout rate. The tax considerations are the same as an annuity trust. However, a unitrust can be more flexible. A unitrust can also provide a hedge against inflation. One variation allows for more growth while another provides more income. It is simply a matter of what you want

to accomplish, as well as the beneficiary's lifetime needs. Also, the document can be drafted so that you can make additional transfers of assets into the trust at any time.

**Example:** Mr. Fulton transfers the two stocks he bought 40 years ago into a net income unitrust with an annual payout rate of 6%. The value of the stocks at the transfer was \$160,000. The couple will receive

an annual payment of 6% of the value of the trust as valued each year. If the income on the trust amount is less than 6%, then the actual income is paid. If the amount earned is greater than 6%, the trust principal grows by the difference. At the death of surviving spouse, the remaining principal will be paid to Spring Valley Presbyterian Church.



*For it is by giving that one receives; it is by self-forgetting that one finds; it is by forgiving that one is forgiven.*

*-St. Francis of Assisi*

## Charitable Gift Annuity .....

A charitable gift annuity (CGA) is a combination of a gift to charity and an annuity contract. You transfer assets to Spring Valley Presbyterian Church; in return, we agree to make regular, fixed

payments to you for the rest of your life. By its very nature, a CGA allows a higher return than most investments.

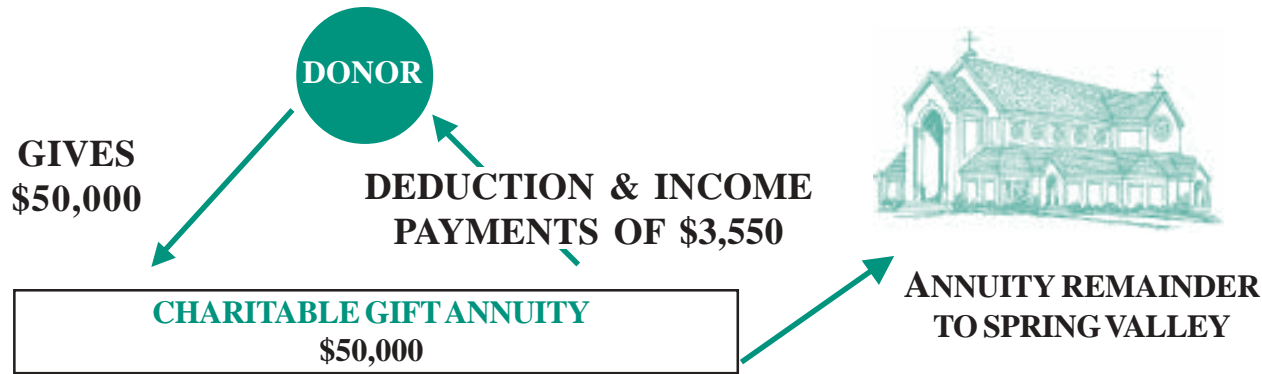
You receive a charitable income tax deduction for a portion of the value of your gift. Any capital gains tax on

appreciated securities is spread over the life of the annuity, and some of the annuity income is tax-free for a certain number of years, depending on the age(s) of the beneficiary(ies).

Annuity payments may begin

immediately, or they may be deferred to some time in the future. The longer the wait, the higher the income and the greater the tax deduction.

**Example:** Mr. and Mrs. Jones, ages 68 and 73, donate \$50,000 from a Certificate of Deposit (CD) to Spring Valley Presbyterian Church for a gift annuity. The couple, and then surviving spouse, will receive lifetime annual payments of \$3,550, paid quarterly. Of this amount, \$614.15 is tax-free; and \$2,935.85 is taxable income. The Jones' charitable deduction for the remainder interest is \$37,513.23 and the expected return is \$72,420.



## Pooled Income Fund .....

A pooled income fund is one in which your gift of cash or securities is combined with similar gifts of others and managed like a mutual fund. You or your designated beneficiary(ies) receive your share of the fund earnings each year. This arrangement generally allows for a higher return to you and the opportunity for long-term growth, which will ultimately benefit Spring Valley Presbyterian Church. You are entitled to a charitable tax deduction in the year of the gift. This amount is determined by the number and ages of income

beneficiaries. Additionally, when the gift is made with appreciated securities, you will not pay any capital gains tax.

Currently, there are two pooled income funds available for Spring Valley Presbyterian Church.

One is the Central Carolina Community Foundation Pooled Income Fund which is managed by Bank of America of S.C. The other is the Pooled Income Fund which is managed by the Presbyterian Foundation. The minimum initial gift

is \$10,000; further contributions of any amount may be added at any time. Upon the death of the donor or other income beneficiary, a designated fund is established for Spring Valley Presbyterian Church in your name. (See page 19.)



# Charitable Lead Trust

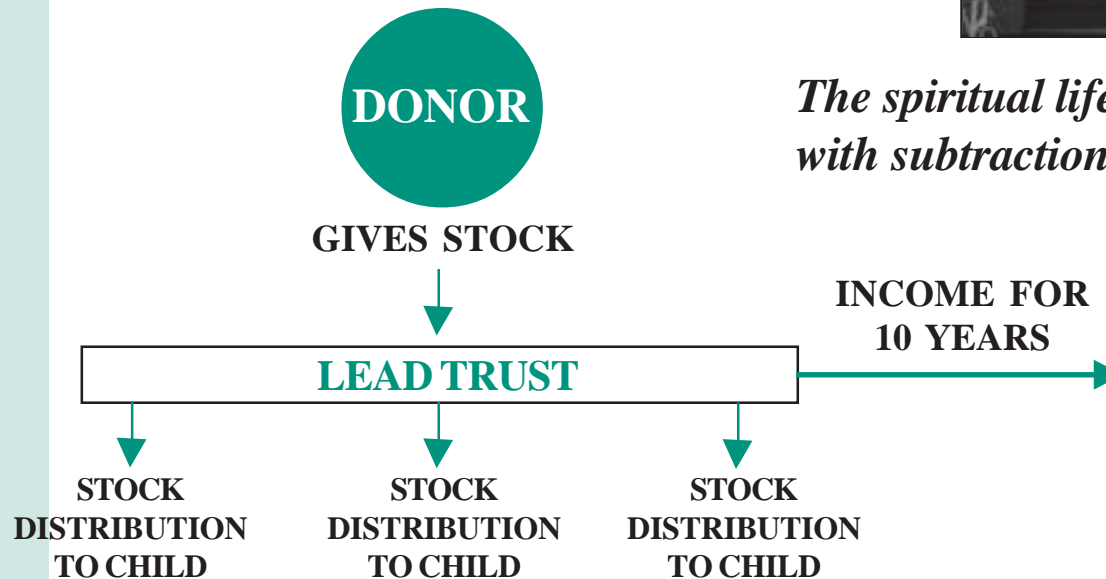
With a Charitable Lead Trust, you can provide immediate support for Spring Valley Presbyterian Church while transferring assets to your heirs at a greatly reduced transfer tax cost. The lead trust pays income to Spring Valley for a term of years. On termination of the lead trust, the trust assets will revert to you or, more likely, your heirs. Although the amount placed in a qualified lead trust is subject to gift and possible estate taxes, the present value of the total payout to charity is subtracted from this amount in determining how much is actually taxable. The trust can be written for a term of years that would make the taxes negligible.

**Example:** Mr. Williams funds a Charitable Lead Trust with \$1,000,000 in stock for 10 years to help fund an endowment for Spring Valley Presbyterian Church. Spring Valley will receive the income from the trust every year for the next 10 years. At the end of 10 years, the stock is then distributed to his three children.



*The spiritual life has much more to do with subtraction than with addition.*

*—Mister Eckhart*



# Life Insurance

Life insurance can play a very creative role in gift planning. By using life insurance, you may be able to make a charitable gift much larger than you ever thought possible.



## Spring Valley Presbyterian Church as Beneficiary:

For a new or existing policy, you can name Spring Valley Presbyterian Church as a sole or primary beneficiary, partial beneficiary, or as an alternate beneficiary, that is, someone to receive the proceeds of the

policy if the first or second person you name predeceases you. In this case, you retain ownership of the policy and have access to the policy's cash value. You also have the right to change beneficiaries. No

income-tax deduction is allowed. However, the estate will receive a charitable deduction.

## Spring Valley Presbyterian Church as Owner:

You can make the church owner of a new or existing life insurance policy. By making Spring Valley owner, and continuing to pay the premiums you are allowed to take a charitable deduction for those payments. As an alternative, gifts of the amount of the premiums could be made to Spring Valley with Spring Valley paying the premiums, as long as the church is not under any obligation to pay the premiums with the donations, you may

take a charitable deduction for those gifts. If the policy is paid up, your deduction is equal to the replacement value of the policy, unless that value exceeds the tax or cost basis.

**Example:** Ms. Addison always wanted to make a significant donation to Spring Valley Presbyterian Church, but felt that she was unable to give as much as she wanted to give. Now, Ms. Addison is 40 years of age and has decided

to make this gift using life insurance. By making annual tax-deductible contribution of \$855 for five years, she will have completed the funding of a \$50,000 policy. At the time of Ms. Addison's death, Spring Valley Presbyterian Church will receive the \$50,000. As requested by Ms. Addison, this money will be added to the Endowment Fund for scholarships.

*Every strand of biblical faith shows God to be deeply engaged and passionately concerned for economic issues. It does seem that the God of the Bible—contrary to much popular religion—cares a great deal about debts, mortgages, wages, and interest, and is preoccupied with the well-being of the poor.*

—Walter Brueggemann

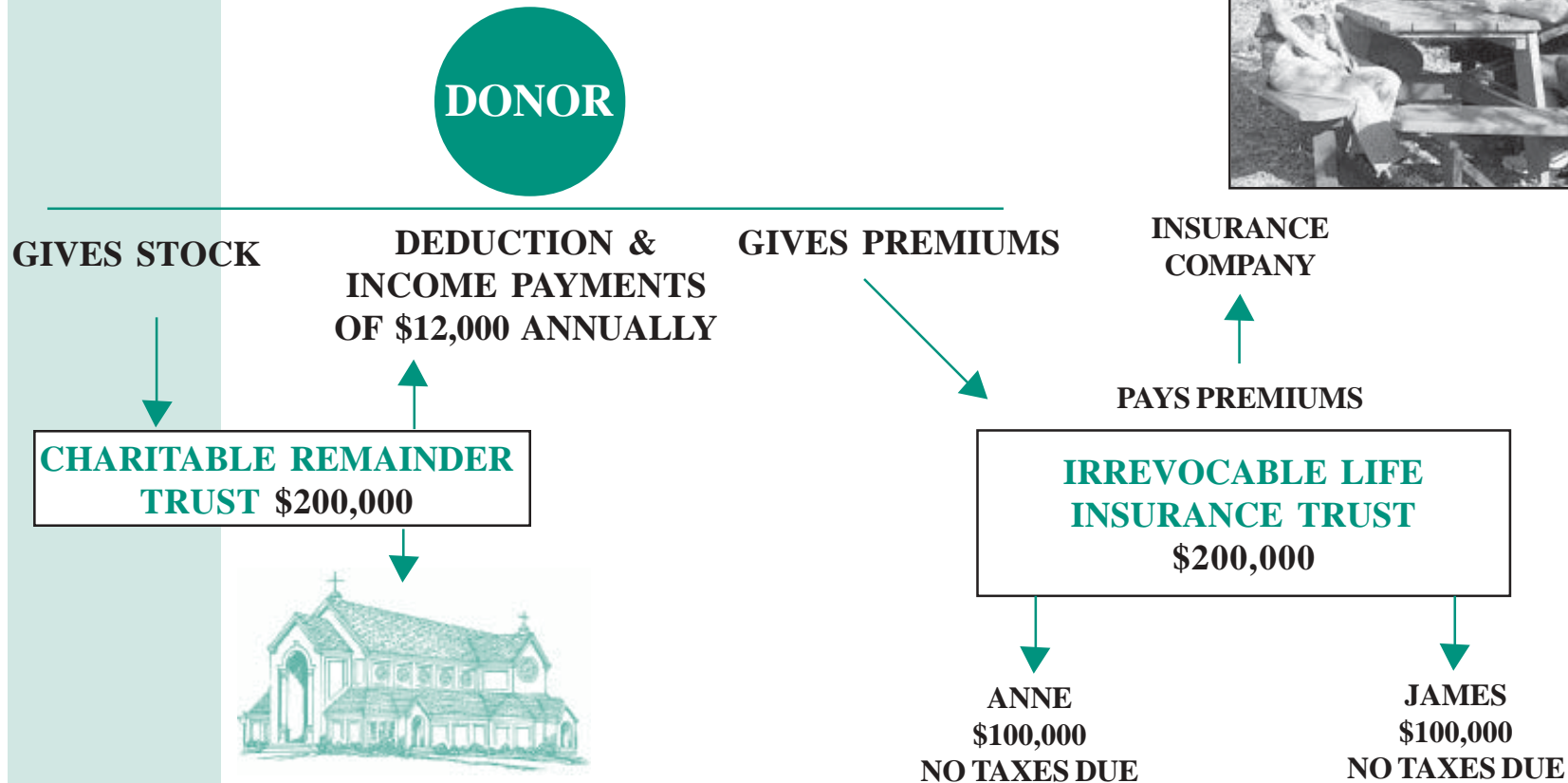
# Asset Replacement

After making a gift to Spring Valley Presbyterian Church, some individuals choose to use the tax savings produced by the charitable deduction, and/or increased income, to purchase and pay the premiums on a life insurance policy, the proceeds of which might be equivalent to the value of the gifted property. By using this method, you can increase your income, make a substantial charitable gift, reduce estate

taxes, and still leave your loved ones the inheritance you want them to have.

**Example:** Mr. Samuel wants to give a significant gift to Spring Valley Presbyterian Church. He would also like to leave his two children, Anne and James, additional funds which would not be taxed in his estate. He funds a Charitable Remainder Trust with stock which he bought 50 years ago for \$50,000 and is currently valued at \$200,000.

At 6% payout, this trust pays him \$12,000 annually. Mr. Samuel then sets up a \$200,000 life insurance trust payable to Anne and James at his death. He funds this irrevocable trust with part of the income he receives from the CRT.



# Remainder Interest Gifts

You may consider giving your residence or vacation home to Spring Valley Presbyterian Church, but retain the right to use it for life. This allows you a significant tax deduction at the time of the gift, and the continued enjoyment of your home for as long as you (and/or your spouse) live. Your tax deduction is equal to the value of the remainder interest of your home.

**Example:** Mrs. Iris, age 78, donates her home—the house and the land—to Spring Valley Presbyterian Church and reserves the right to live there for her remaining years. At the time of the gift, the land and house have a value of \$140,000. Her charitable deduction is \$75,938.20 for the remainder interest.



*I am only one; but still I am one.  
I cannot do everything, but still I can do  
something: I will not refuse to do  
something I can do.*

*-Helen Keller*



# How the Presbyterian Foundation Can Help

Presbyterians demonstrate their faith by sharing their time, talent, and treasure. It is this Christian spirit of giving that guides the Foundation in serving those with a vision who want to create a legacy of faith. People, putting their faith into action through charitable giving and other acts of stewardship, make a tremendous difference in the lives of others. The Presbyterian Foundation supports this generosity by helping connect resources to people and ministries in need of support. We serve the church by encouraging and managing charitable gifts that build bridges bringing people and mission together.

The ways to give and the potential beneficiaries are great and varied. Gifts given through the Foundation are professionally managed and distributed solely and specifically according to the instructions of the donors. **Unrestricted** funds allow the church to use the funds where

the need is greatest, thus allowing for change in circumstances and mission over the years. **Restricted** gifts (funds designated by the donor for a specific purpose) **should be made in consultation with the church staff**. They provide support for everything from music programs to capital improvements, from Christian education programs to mission projects, from older adult ministry to childcare, and more. Legacy gifts ultimately enhance and expand funding for mission and ministry.

The Foundation can help you establish a permanent fund as an enduring tribute to a loved one. These funds are managed by the Foundation and provide income to the church in perpetuity. We offer plans that enable you to provide a future gift for the church, while receiving income throughout your life. These plans have been discussed elsewhere in this booklet.

**If you have questions or would like more information,  
please contact a member of the Spring Valley church staff**

*or*

**Paul Grier of the Presbyterian Foundation  
(404) 876-1006 • [phg@fdn.pcusa.org](mailto:phg@fdn.pcusa.org) • [www.presbyterianfoundation.org](http://www.presbyterianfoundation.org)**

# Gift Planning Table

Overview of Some Planned Giving Instruments

TYPE OF GIFT	FORM OF GIFT	BENEFIT TO DONOR	BENEFIT TO NONPROFIT
<b>OUTRIGHT GIFT</b>	<ul style="list-style-type: none"> <li>• cash</li> <li>• securities</li> <li>• real estate</li> <li>• insurance</li> <li>• personal property</li> </ul>	<ul style="list-style-type: none"> <li>• deductible for income tax purposes</li> </ul>	<ul style="list-style-type: none"> <li>• funds available for immediate use by organization</li> </ul>
<p><b>BEQUESTS:</b> Anything one owns at the time of death may be passed on to an organization or person through one's last will and testament. Moreover, all forms of life income gifts may be in testamentary form to benefit family or friends and will then become available for use by named organizations.</p>			
<b>LIFE INCOME GIFTS</b>			
A. Pooled Income Funds	<ul style="list-style-type: none"> <li>• appreciated securities</li> <li>• cash</li> </ul>	<ul style="list-style-type: none"> <li>• variable income that may provide hedge against inflation</li> <li>• tax deduction when gift is made</li> <li>• no capital gains tax on appreciated gift</li> </ul>	<ul style="list-style-type: none"> <li>• ensures substantial future funding</li> </ul>
B. Charitable Remainder Unitrusts	<ul style="list-style-type: none"> <li>• cash</li> <li>• real estate</li> </ul>	<ul style="list-style-type: none"> <li>• securities</li> <li>• same as pooled income fund plus:               <ul style="list-style-type: none"> <li>• can be tailored to donor's situation</li> <li>• permits deferred income</li> <li>• includes real estate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• ensures substantial future funding</li> </ul>
C. Charitable Remainder Annuity Trusts	<ul style="list-style-type: none"> <li>• cash</li> </ul>	<ul style="list-style-type: none"> <li>• securities</li> <li>• fixed income</li> <li>• tax deduction in year that gift is made</li> <li>• no capital gains tax on appreciated gift</li> </ul>	<ul style="list-style-type: none"> <li>• ensures substantial future funding</li> </ul>
D. Charitable Gift Annuity	<ul style="list-style-type: none"> <li>• cash</li> </ul>	<ul style="list-style-type: none"> <li>• securities</li> <li>• fixed income for lifetime</li> <li>• tax deduction in early years of gift</li> </ul>	<ul style="list-style-type: none"> <li>• portion of funds can be available to organization</li> <li>• ensures future funding</li> <li>• upon death of insured, remaining principal payable to organization</li> </ul>
<b>CHARITABLE LEAD TRUST</b>	<ul style="list-style-type: none"> <li>• cash</li> </ul>	<ul style="list-style-type: none"> <li>• securities</li> <li>• allows property to be passed to others with little or no shrinkage due to taxes</li> </ul>	<ul style="list-style-type: none"> <li>• provides organization with current income for the length of the trust</li> </ul>
<b>INSURANCE POLICIES</b>			
A. Organization is made owner and beneficiary of policy currently in force	<ul style="list-style-type: none"> <li>• life insurance</li> </ul>	<ul style="list-style-type: none"> <li>• donor gets income tax deduction for value of policy when transferred</li> <li>• future premium payments may be deducted as gift</li> </ul>	<ul style="list-style-type: none"> <li>• organization may borrow on policy</li> <li>• organization may cash in policy</li> <li>• organization may receive face value of policy at insured's death</li> </ul>
B. Paid-up policy is given to organization	<ul style="list-style-type: none"> <li>• life insurance</li> </ul>	<ul style="list-style-type: none"> <li>• tax deduction based on current value of policy when transferred</li> </ul>	<ul style="list-style-type: none"> <li>• organization may borrow on policy</li> <li>• organization may cash in policy</li> <li>• organization may receive face value of policy at insured's death</li> </ul>
C. Organization is named beneficiary of policy but not owner	<ul style="list-style-type: none"> <li>• life insurance</li> </ul>	<ul style="list-style-type: none"> <li>• enable donor to make large future gift at small present cost</li> <li>• donor may change beneficiary later</li> <li>• donor may borrow on policy</li> </ul>	<ul style="list-style-type: none"> <li>• upon death of insured, organization will reduce face value of policy</li> </ul>

**Note:** This table is for information purposes only and is not a substitute for legal or professional advice. **Source:** Giving USA

# A New Idea for Making a Planned Gift to Spring Valley Presbyterian Church Without Changing Your Will

## “Using Your Retirement Funds to Give a Gift to Spring Valley Presbyterian Church Without Changing Your Will”

*(Using 401(k), 403(b), IRA’s, Keogh, SEP, Qualified Plans to Make a Gift to the Church)*



All retirement funds allow you to name one or more primary, secondary and contingent beneficiaries. You can include Spring Valley Presbyterian Church among the named

beneficiaries of your retirement plan(s). Retirement funds can be among the best assets to use for a charitable gift. The reason involves the fact that they grow without paying income taxes. If you give them to a family member or other individual upon your death, income taxes and estate taxes may dramatically reduce these funds. Your loved ones may only receive a

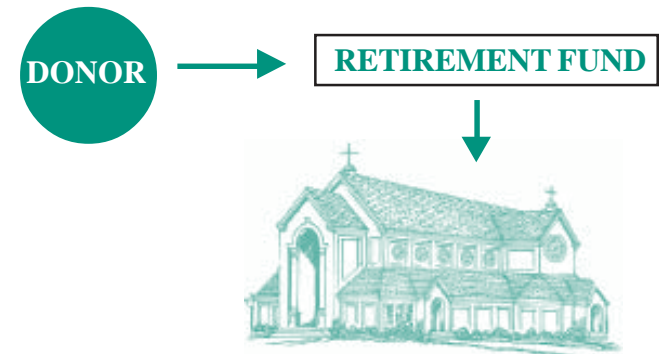
fraction of the fair market value at the date of your death.

The good news regarding Spring Valley Presbyterian Church is this: Any Bequest Transfer (gift) of retirement funds to the church are made free of any income or estate tax because the transfer to a church receives a charitable deduction. You can also make this bequest transfer without incurring fees charged by a lawyer for changing your Last Will and Testament. You can designate a specific amount for Spring Valley or a percentage of the death benefit. You can restrict your bequest transfer to a specific need such as debt service or you can make an unrestricted bequest to the Church.

Review this concept with your CPA and be sure to check with your HR department at your place of employment. Request a copy of your

beneficiary designation form or a blank beneficiary designation form.

Please remember: These funds are passed by naming a beneficiary. If none is named or all are deceased, the assets become part of your estate and pass according to the Will or laws of intestacy if there is no Will. Retirement funds can be among the most valuable assets you own. They accumulate tax free and thereby grow much faster than taxable assets.



# The Zacchaeus Society

## BOARD OF DIRECTORS

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**Dr. Wilson McWilliams, M.D.**

**Ms. Laura Walkup, LMSW**

## The Mission

The Zacchaeus Society (a nonprofit corporation) exists for the purpose of examining the relationship between money, possessions and the Kingdom of God as understood within the Christian Tradition and to create opportunities for stewardship education, reflection, praxis and change within the Christian Church and in the broader religious community.

## The Origin

There is a strange silence in the Christian Churches of North America regarding the connection between money, possessions and faith. Even though the Christian scriptures speak over and over again regarding the holy use of wealth, the Church has difficulty moving beyond annual stewardship and capital campaigns to address the spiritual struggles bound up in

the faithful use of money and possessions. The Gospel story of Zacchaeus (Luke 19:1-10) is the story of a person of wealth who, through a personal encounter with Jesus, reframed his whole economic life in light of the values of the Kingdom of God. The goal of The Zacchaeus Society is to help the Church as well as individuals seek an alternative stewardship of money and possessions in response to the imperatives of scripture.

## Services Provided by The Zacchaeus Society

In addition to receiving contributions in support of our mission, The Zacchaeus Society provides traditional consulting services for Christian Congregations and Institutions including assistance with annual stewardship campaigns, capital campaigns, stewardship education and special projects.

## Examples:

- Congregational Retreat  
Topic: Money, Possessions & Faith
- Funding of National Stewardship Conference (Montreat 2004)
- Small Group Retreat in Partnership with the Ministry of Money (2007)

## FOR MORE INFORMATION YOU CAN CONTACT THE ZACCHAEUS SOCIETY:

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*\*Signifies posthumous listing*

## A Special Word About Your Planned Gift

It is a Sessional decision whether or not to receive a particular gift. (Book of Order: G-10.0102h) The Elders bear the responsibility for discerning if the receiving of particular kinds of gifts are in the best interest of the church. For example, it is clear that a cash gift of \$500,000 to the church would have an immediate impact on mission and ministry. It is less clear if a house or piece of land with an appraised value of \$500,000 would be helpful to the church. Perhaps the house could be used for a special programmatic need of the church, or quickly sold or perhaps not. A gift to the church should be in a form which is most helpful to the ministry of the church. If you are considering a particular gift, always be sure to consult the Management Ministry and the Pastor as well as your own family, lawyer, accountant, etc., prior to finalizing your plans.

*Note: The tax consequence illustrations in this Guide are subject to change based on future changes in 4545 tax laws and regulations.*