

## LEAVING A LEGACY: WAYS TO GIVE

Leaving a legacy that accurately reflects your personal values and goals for the future is an essential element of your estate planning strategy. Whether you are single, married, raising a family, or planning for retirement years, your future and the future of those you care most about will be a reflection of the plans you make today.

As you read through the giving opportunities outlined below, consider how one or more of these tools may help you enhance your future financial well-being while providing for a meaningful gift that will help further the religious, communication, educational and charitable objectives of the Catholic faith.

### *1. Benefiting Others Through Your Will*

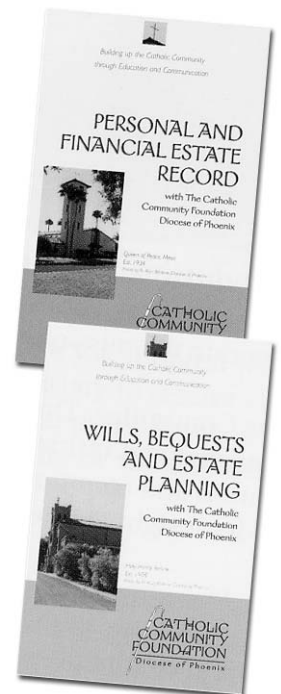
Your will can be a creative vehicle through which to make thoughtful gifts. After providing for the needs of loved ones, you may choose one of several ways to benefit charitable organizations and causes that are important to you. You can revise or amend your will to make a gift of a dollar amount, a specific property, a percentage of your estate, or what is left after your loved ones have been taken care of. You may also wish to name one or more charitable recipients in case one or more heirs do not survive you.

### *2. Giving Through Revocable Living Trusts*

If, like many others, you have chosen to rely on a revocable trust to pass your property to loved ones, consider adding a charitable dimension to this plan, as well. You can provide that at the termination of your trust, a portion of the assets be used for charitable purposes you direct. Such a gift is deductible from estate taxes and can be delayed until all family members have first been provided for.

### *3. A Gift With a Steady Income*

A charitable remainder annuity trust allows you to retain income from your property for life or for another period of time you specify. Your funds are held separately and invested to allow payment of a fixed and regular income to your and/or someone else you name. You determine the exact amount of the payments when the plan is created and this amount will



never change. A tax deduction is allowed at the time you create your trust, and upon the death of the income recipient(s), whatever remains in the trust is distributed for the charitable purposes you specify.

#### ***4. A Gift With a Variable Income***

Like the annuity trust, a charitable remainder unitrust provides for a gift that returns an income. But unlike the annuity trust, the income from a unitrust will increase or decrease with the value of the assets placed in the trust. You determine the yearly payout percentage when the gift is made. Additions can be made to this type of trust, and a tax deduction is allowed for a portion of each amount contributed.

#### ***5. Making a Temporary Gift***

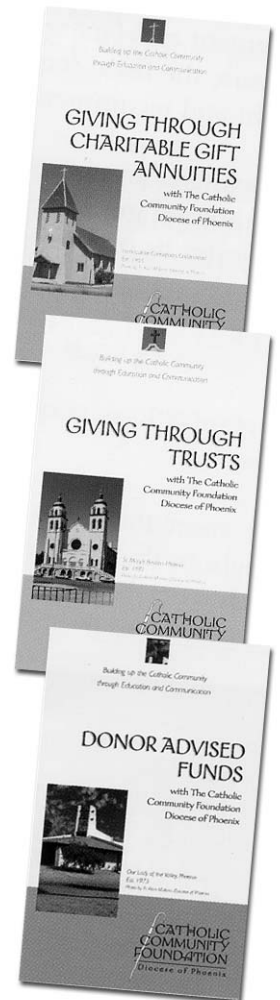
People who wish to make a substantial gift over a period of years while ensuring that their property will ultimately return to themselves or their loved ones may be interested in a charitable lead trust. The lead trust can be one of the few ways to reduce or eliminate taxes that would otherwise be due on assets left to children or grandchildren. Under the terms of a charitable lead trust, assets are transferred to a trust that pays income to one or more charitable recipients for a number of years you determine. At the end of that period, the assets are returned to you or other persons you name.

#### ***6. Personal Family Fund***

A donor may establish a fund to provide for a variety of favorite charities or types of charitable works. Any person may create a Personal Family Fund by contributing either current gifts and/or future gifts through wills, trusts and bequests. Deposits to the fund are tax deductible.

#### ***7. Give your Home - and Continue to Live There***

By using a life estate arrangement, you can make a gift of your home or farm now while retaining the security of knowing you may live there as long as you wish. A key advantage of this plan is that the satisfaction of giving, as well as a tax deduction, is enjoyed now rather than later. You continue to take care of the property, pay the taxes, and even receive any income it generates. But, because you have made a gift of the property by deed, it does not pass through your probate estate at death, possibly saving unnecessary expenses and delays.



## ***8. A Large Gift at Low Cost Through Life Insurance***

Life insurance needs change as life progresses. Children become self-sufficient, and investments may provide unexpected income and security. As a result, not all life insurance coverage may be needed for the reason it was initially purchased. One of the simplest ways to make a significant gift in the future is to name a charitable beneficiary to receive all or a portion of the proceeds of a policy no longer needed for its original purpose. Another way is to purchase a new policy, naming a favorite cause as beneficiary or co-beneficiary to create a gift that may ultimately be much larger than its cost.

## ***9. Creative Gifts Through Retirement Plans***

Whether you participate in a company pension plan or a fund you have established yourself such as an Individual Retirement Account (IRA), you may accumulate funds beyond your needs for comfortable support of yourself and loved ones. In such a case, it may be very easy to make a gift from such accounts to support the work you consider vital for the spiritual and material well being of future generations. It can be satisfying to know that the funds you carefully saved over a lifetime may ultimately be put to good use as part of a prudent estate plan.

## ***10. A Gift of Lasting Significance***

There may be no better way to pay tribute to a family member or other loved one than through a memorial gift. Many organizations and institutions can attribute buildings, equipment, endowment funds, and a multitude of services to gifts made in memory of loved ones. The Foundation will be glad to assist you in choosing an appropriate commemoration for your gift in honor of someone special to you.

If you would like to leave a legacy of your faith, but you have questions on how to meet your specific goals, call the Catholic Community Foundation. We will personalize an example for your situation or provide you with other planning ideas that meet your objectives.

