



WAYS TO GIVE

Charitable Bequests

When we think about passing on our assets to our loved ones and God's kingdom, we typically think of our will, a legal document that coordinates the distribution of our assets after death. Within a will, we would normally make several bequests. A charitable bequest is simply a gift to an eligible charity made by means of a will. This can be done in many ways.

The most typical way that you can pass on your assets to a charity is by naming that charity as a beneficiary in your will. This is normally done in several ways:

- Designating a specific amount of the estate to the charity, for example \$10,000.
- Designating a percentage of your total estate value, for example 10%.*
- Giving gifts of property, real estate etc.
- Giving securities such as stocks, bonds etc.

In planning your last giving, minimizing tax liabilities and maximizing giving should be the focus of your discussions with your accountant and legal representative.

**There is an alternate way you may not have considered which is very compelling. See our informational bulletin entitled 'Maximum Impact'.*

Registered Accounts

Registered accounts (such as RRSPs and RRIFs in Canada and IRAs in the USA) can represent substantial tax liabilities upon death. To help mitigate this, charitable donations of these funds can offset the tax implications and maximize the amount that is passed on. Registered accounts can be passed on in several ways.

- Direct Designation - The charity itself is named as a beneficiary of the account, in which case the transfer is quite simple.
- Bequest - The funds can be absorbed into the total value of the estate and then given to charity as a bequest in a will.

Talk to your advisor about which method is best for you.

Life Insurance

You may name a charity as the beneficiary of your life insurance policy.

Appreciated Securities

Some of the greatest tax benefits can be realized by donating appreciated equities (stocks, mutual funds etc.) or debt securities (bonds, GICS etc.) directly to a charitable organization. This process may eliminate taxable capital gains and provide a full market value tax receipt.

Other

Other options beyond the scope of this paper, but which you may want to explore with your advisors particularly if you have a higher net-worth, are using donor-advised funds, setting up a trust or foundation, gifting annuities and donating real estate.

The information presented here does not constitute legal advice but is merely intended to give you some initial direction and things to consider as you make your plans with your legal and financial professionals.