

## Ways to Give: Planned Gifts

*Your gift can make a significant contribution toward helping seniors live a more Abundant Life® regardless of their physical or financial circumstances.*

Planned Gifts include:

- Legacy Gifts
- Bequests
- Life Income Gifts
- Charitable Gift Annuities
- Charitable Remainder Trusts
- Qualified Retirement Plans
- Life Insurance

### Legacy Gifts

Legacy Gifts can be made via your will, a charitable gift annuity, charitable remainder trust or other planned gift. These deferred gifts can reduce gift and estate taxes on assets passing to your heirs, and in some cases provide a financially secure income for yourself and/or a loved one.

In appreciation of your support, Legacy gift donors are recognized as members of the Lutheran SeniorLife Foundation Legacy Society. Requests to remain anonymous are honored.

### Bequests

A bequest can be a specific dollar amount, a specific asset, or a percentage of your estate. You may designate your gift for Lutheran SeniorLife's greatest need, for benevolent care, for a specific program, or specific facility such as Passavant Community, St. John Specialty Care Center or RoseCrest Assisted Living.

## Life Income Gifts

Life income gift agreements, such as the Charitable Gift Annuity and Charitable Remainder Trusts are available for those who wish to support Lutheran SeniorLife while retaining an income for life.

Congress has provided income and estate tax benefits for life income gifts. Through such an agreement, you give an irrevocable gift now that will benefit Lutheran SeniorLife in the future after your death. In return, you (and another income beneficiary, if you wish) receive income for life or a term of years.

With a life income gift you can:

- Receive an immediate charitable tax deduction
- Receive income for life or a term of years for yourself, your children or other loved one
- Bypass all or a portion of capital gain taxes
- Reduce or eliminate probate costs and estate taxes

## Charitable Gift Annuities

You can donate an irrevocable gift of cash or marketable securities to establish a gift annuity and in return you receive a fixed amount of income for your lifetime, or if you choose, a term of years. The frequency (e.g. monthly, quarterly, annually) and the amount of the payments are established at the time the gift annuity is created. A Charitable Gift Annuity may be written for one or two lives.

Donors must be 65 or older. Deferred Gift Annuities are also available for donors 55 years of age, with the first payment at 65 years or older.

A minimum gift of \$10,000 is required.

The Lutheran SeniorLife Foundation uses the charitable gift annuity rates recommended by the American Council on Gift Annuities.

## Charitable Remainder Trusts

With a Charitable Remainder Trust, the donor irrevocably gifts assets to a trust or names a trustee such as a bank or trusted advisor to manage the trust's investment. The donor, in turn, receives an annual payment for life or a term of years. Because of this type of gift investment, a minimum gift of \$100,000 is required and the trust must have a minimum payout of five percent.

You may designate yourself and your spouse as income beneficiaries or you may name your children. At the end of the trust, the trust assets are distributed to the Lutheran SeniorLife Foundation for a purpose that you designate.

There are two types of Charitable Remainder Trusts:

- Charitable Remainder Annuity Trust

The Annuity Trust makes fixed payments of a percent (minimum five percent) of the trust's initial fair market value. The trust's change in market value will not impact the amount paid. The annual annuity trust payment is paid first from trust income or, if necessary, from trust principal. IRS rules prohibit additional contributions to an annuity trust.

- Charitable Remainder Unitrust

The unitrust can make straight payments of a fixed percent (minimum five percent) of the trust's annual net fair market value. Other options may be chosen. For example, a payment may be the lesser of the net income of the trust and the stated percent of the annual fair market value. The straight unitrust payment fluctuates according to the annual net fair market value of the trust. Unitrusts may receive additional contributions in subsequent years upon death.

Other Charitable Gift Trust vehicles which may have substantial benefit to you and your philanthropic goals are also available. Consult your financial and legal advisors to explore these options.

## Qualified Retirement Plans

Many Americans have qualified retirement plans such as:

- Traditional IRA
- 401k
- 403b
- Keogh Plans

Once you begin to take payments from these plans, the money is subject to income tax. Because these plans are also included in your taxable estate, the assets will be subject to income tax and possibly federal (and perhaps state) estate taxes when left to a spouse, child or other loved one.

A gift of a retirement plan (or a portion of one), including a Roth IRA, might be the best way for you to make a charitable gift to the Lutheran SeniorLife Foundation.

To make a retirement gift plan, simply name Lutheran SeniorLife Foundation as the beneficiary of that plan. As the administrator of the plan for a beneficiary change form and indicate the amount or percentage of your plan assets that you wish to be given to the Lutheran SeniorLife Foundation. Your beneficiary designation form is not permanent and can be changed by you at any time.

## Life Insurance

You may wish to remember Lutheran SeniorLife through a gift of life insurance. This gift can fulfill your charitable plans and avoid possible estate tax on the life insurance proceeds.

To do this, you must change the beneficiary on an existing policy naming the Lutheran SeniorLife Foundation. Simply call your life insurance representative or the insurance company and ask for a change of beneficiary form.

You may also transfer ownership of a cash value of a life insurance policy that is no longer fulfilling its purpose (such as a policy established when you were a child). With an irrevocable transfer, you will receive a charitable income tax deduction for making the gift. Depending upon the cash value of the policy, you may need to make gifts to support the policy premiums. Such gifts would qualify as charitable contributions.