



# 6 Ways To Leave Your Mark Through LEGACY GIVING

We all want to leave our mark — to bring people into the Kingdom. To know we let God work through our lives as much as possible. But as we work to leave a legacy, most of us overlook one of the most significant things we can do: planning a charitable gift in our will or other legacy giving.

If you're like most people, you'd be surprised by the impact your generosity can have. Even a small legacy gift can help spread the Gospel to generations of people around the world. Plus, when you give a legacy gift, you tell others what you care about most — and that inspires others to action, too!

We know you have many things to consider as you craft a plan that expresses your faith and cares for your loved ones. That's why we've created this simple guide.

We invite you to look over these six common legacy plans. Then, when you're ready, take them to your financial advisor to find the best option for you. May God bless you as you live for Him!

## 1 Leave a Gift in Your Will

A gift in your will (also known as a bequest) is by far the most popular kind of legacy gift. It requires no maintenance during your lifetime, but it ensures that your lasting legacy will impact the things you care about most.

Some people choose a set amount, but many request that a percentage of their estate go to their favorite charity. This ensures that however your financial situation changes, you will be leaving your best gift, while also leaving resources for your loved ones. We suggest talking with a financial advisor as you make this decision.



## BENEFITS

- Allows you to distribute your estate to loved ones and charities as you wish.
- Generally avoids estate and inheritance taxes.

## 2

### Create a Charitable Gift Annuity

A charitable gift annuity lets you see your legacy in action right now. You also receive a charitable deduction in the tax year that you create the charitable gift annuity.

This option is a contract between you and a charity that provides you with guaranteed fixed income payments during your lifetime. The annual percentage is based on your age at the time you make the gift. In addition, a portion of each payment is tax-free. At the end of your life, the charity receives the remaining balance of the annuity.



## BENEFITS

- A fixed income during your lifetime. A portion of these are tax-exempt.
- An immediate income tax deduction for the calculated charitable value of the gift annuity.

## 3

### Donate a Portion of Your Retirement Account

Did you know you can name a charity as a beneficiary to your retirement account? Many of us won't use the entirety of our IRA, 401(k), 403(b) or other retirement accounts. The good news is, you can make sure your remaining funds go to a cause you care about.

Simply name your favorite charity as a beneficiary. Then decide what portion of the remaining balance you would like them to receive. When you pass, the charity will receive your gift, and your legacy will continue to grow. If your situation changes, you can revoke or adjust your giving amount at any time.



## BENEFITS

- Giving the remainder of a retirement payout to charity is a tax-efficient option.

# 4

## Create a Charitable Lead Trust

A charitable lead trust lets you make a substantial gift to your favorite charity while still passing on much of your estate to your heirs, free of tax. And unlike many other options, you can choose whether you want contributions to start now or in the future.

With this option, you provide cash or other assets to fund the trust and set a schedule for how long the trust will last. During the trust’s lifetime, it will make payments to the charity on a fixed schedule. At the end of the term, the remaining assets in the trust return to you or to other beneficiaries.



### BENEFITS

- The trust’s remaining balance returns to you or beneficiaries.
- May reduce annual income tax and federal estate tax.

# 5

## Charitable Remainder Trust

A charitable remainder trust is similar to a charitable lead trust, except that rather than donating to the charity upfront, the charitable remainder trust provides payments to you for life (or a specified period of years). When the term of the trust is over, the remaining balance goes to the qualified charity (or charities) of your choice. You will also receive a charitable tax deduction at the time of your gift.

Unlike charitable gift annuities, you will select an annual payout when you create the trust, with a minimum percentage of 5 percent. The maximum percentage depends on your current age or the term of the trust.



### BENEFITS

- Annual payments to you for life or the duration of the trust.
- Immediate income tax deduction based on the value of the trust’s remaining interest.
- The remaining interest passed to charity is not subject to estate tax.
- If funded with appreciated assets, you avoid the immediate realization of capital gain tax.

## 6

### Name a Charity as a Life Insurance Beneficiary

If you have a life insurance policy that will more than cover your family's needs, you might consider naming a charity as an additional beneficiary. When the life insurance benefit is collected, it will be distributed to both the charity and your family. Please talk with your financial advisor and life insurance company for more details.



## BENEFITS

- You may receive tax deductions for premiums paid, dividends assigned, cash surrendered or replacement value.
- Generally avoids probate and estate taxes.

### Interested in receiving assistance?

Learn more about this process by contacting Planned Giving at (800) 343-3144 or [PlannedGiving@TEAM.org](mailto:PlannedGiving@TEAM.org)