The Legacy Society
All Saints Church
Bay Head, New Jersey

Planned Giving Options

1. Bequests and Wills

The simplest way for a donor can make a planned gift is by naming the All Saints Church (ASC) in his/her will. A bequest is a meaningful way to support ASC's work without affecting one's cash flow during his/her lifetime. The donor's attorney can include it when preparing or revising a will or adding a codicil at any time.

There are several types of bequests:

- A *specific bequest* indicates the amount of cash, securities or other asset a donor wishes to leave to ASC. Or it can indicate a specific percentage of the total value of a donor's estate.
- A *residuary bequest* leaves the remaining portion of a donor's estate (or a percentage of the total) after all other bequests have been satisfied.
- A donor can make ASC the recipient of a *contingency bequest*, which takes into account the possibility of a change in one's beneficiary's circumstances.

A. Specific Bequest

A donor can make a bequest to ASC for a specific dollar amount or percentage of one's estate, for example:

> *I give, devise and bequeath to the All Saints Church the sum of $________ as an unrestricted gift, to be used at the sole discretion of ASC.*

Or, a donor can make a bequest for specific assets, such as securities, real estate or personal property, for example:

I give, devise and bequeath to the All Saints Church my [insert description of the asset], to be used and/or disposed of, as the All Saints Church determines for its general purposes.

B. *Residuary Bequest*

A donor can make a residuary bequest, which gives all or a portion of the residue of one's estate to ASC after payment of expenses and any amounts designated to other beneficiaries; for example:

I give, devise, and bequeath to All Saints Church X percent of the rest, residue and remainder of my estate as an unrestricted gift, to be used at its sole discretion.

C. *Contingency Bequest*

A donor can make a contingency bequest to ASC, which allows one to account for a change in one's beneficiary's circumstances, for example:

I give, devise, and bequeath [insert name] X percent of the rest, residue, and remainder of my estate if s/he survives me. If [insert name] does not survive me, I give, devise and bequeath to All Saints Church, X percent of the rest, residue, and remainder of my estate as an unrestricted gift, to be used at its sole discretion.

Unrestricted v. Restricted Gifts

Gifts that do not restrict the use (unrestricted gifts) allow ASC to use these resources where they are most needed. ASC is also grateful for gifts that are designated for a specific purpose that advances its mission (restricted gifts), such as support to a specific initiative or for a specific program.

If a donor is interested in making a restricted gift, it is important that he/she includes language to ensure that ASC may re-direct the use of the gift if the specified initiative, program or purpose ceases to need funds in the future, for example:

I give, devise and bequeath to All Saints Church the sum of $_____ to be used for the [insert name of program] for so long as ASC determines that the need exists. Should the need no longer exist, ASC may, in its sole discretion, direct the use of my bequest for a purpose related as closely as possible to that stated above.

2. Charitable Gift Annuities

A charitable gift annuity is a simple contract between a donor and ASC. In exchange for one's irrevocable gift of cash or securities, ASC agrees to pay one or two annuitants whom one designates a fixed annuity for life, and the donor will be entitled to an income-tax deduction in the year the gift is made.

At ASC the minimum age to start receiving annuity payments is 55. However, one can establish a charitable gift annuity at a younger age and defer the start of annuity payments to age 55. The minimum amount to establish a charitable gift annuity at ASC is $5,000.

The donor will receive an immediate income tax deduction for a portion of his/her gift.

3. Retirement Plans

A donor can contribute to ASC through his/her retirement plan. Certain retirement plans, including IRAs, Keoghs, 401k and 403b plans, allow one to defer paying taxes until he/she withdraws income during retirement. However, after death these accounts are often exposed to significant taxes.

Therefore, the donor might find it beneficial to contribute all or part of these funds to ASC while leaving other assets to his/her heirs. Simply name ASC a beneficiary of one's retirement plan. The donor will retain control of the plan during his/her lifetime, and the donor can change his/her beneficiary at any time if his/her circumstances change.

4. Charitable Trusts

A charitable trust is a way to achieve current and long-term financial, estate and philanthropic goals. A donor makes an irrevocable transfer of cash, stock, real estate or other assets to a trust which produces income for the donor or other beneficiary for a fixed period of time of up to twenty years or until the donor or other beneficiary dies. At the conclusion of the trust period, the remaining principal assets will be distributed to ASC.

Charitable trusts take two forms: charitable remainder trusts and charitable lead trusts.

A *charitable remainder trust* allows a donor to designate the beneficiary of regular payouts from trust proceeds (for either a fixed dollar amount or a fixed percentage) during his/her lifetime or for a period of time, not to exceed twenty years. At the same time, ASC is designated a remainder beneficiary. This allows the donor to claim a tax deduction for the estimated portion of the assets that will ultimately go to ASC upon death or the expiration of the fixed period.

Charitable lead trusts may appeal to individuals who wish to make a gift but retain the property. These irrevocable trusts are, essentially, the reverse of charitable remainder trusts in that the payments from a charitable lead trust will first go to ASC for a specific period of time, usually between 10 and 20 years, after which time the principal of the trust will revert to the donor or to those the donor has designated.

5. Pooled Income Fund

In a pooled income fund a donor's gift of $2,500 or more, will be "pooled" with other gifts in a professionally managed investment portfolio. The donor, or his/her designated beneficiary, will be guaranteed an income for life, although the amount of income will depend on the rate of return on the fund's investments. The donor will receive an

immediate federal income tax deduction and a possible reduction on his/her estate taxes. Upon the donor's death, or that of the final beneficiary, the remaining property will come to ASC.

6. Bank Accounts, Securities and Certificates of Deposit

A no-cost way to make a planned gift to ASC is by designating it the recipient of a bank account or security. A donor can instruct any financial institution in which he/she has an account or the holder of a security to place one's asset in a trust (often called a Totten Trust or a Transfer upon Death Account) which will be transferred, upon the donor's death, directly to the ASC.

This allows the donor to retain complete control of the asset during his/her lifetime and to give the remaining asset to ASC upon his/her death. Most Totten Trusts can be created easily, using a form obtained from one's bank, financial institution or the holder of the security.

7. Life Insurance Policies

ASC welcomes philanthropic support through gifts of life insurance policies when the policies are paid in full and ASC is named as the owner and irrevocable beneficiary of the policy.

A donor can name ASC as the primary or contingent beneficiary of an existing or new life insurance policy. Although a current income tax deduction is not available, it will result in a federal estate tax deduction for the full amount of the proceeds payable to the charity, regardless of policy size. Or a donor can make an assignment or gift of a life insurance policy that one currently owns or donate a new life insurance policy, approaches which allow a current income tax deduction.