

Gifts of Stock

An appreciated stock gift is almost always more beneficial to the donor than contributing cash to a charity. This is because a gift of appreciated stock generally offers a twofold tax savings:

- First, you avoid paying any capital gains tax on the increase in value of the stock.
- Second, you receive an income tax charitable deduction for the full fair market value of the stock at the time of the gift.
- Second, you receive an income tax charitable deduction for the full fair market value of the stock at the time of the gift.

To transfer stocks held with a broker or certificates held by you:

- Call the Partnership for Mission office at 419.479.3093 to notify us of your gift, kind of stock, the number of shares and how you wish it to be used. You will be given the name and phone number of the broker working with the Sisters.
- Notify the Partnership for Mission office at 419.479.3093 when you make the transfer.



Wills/Bequests

Wills/bequests are among the simplest and most popular planned gift vehicles for supporting the Sisters of Notre Dame, Toledo, OH. The will simply lists the Sisters of Notre Dame, Toledo, OH as a beneficiary of the assets. You retain maximum flexibility and use of your assets during your lifetime. Bequests are generally deductible for estate and gift tax purposes.

A will/bequest can take any of the following forms:

- Specific bequest of a percentage or an exact dollar amount of the assets, or of particular designated securities or other property
- Residuary bequest of all or a percentage or portion of your estate, after the payments of specific amounts to other beneficiaries have been made
- Contingent bequest to take effect only in the event that your primary beneficiaries as designated in your will have died before you

Often a bequest can be arranged simply with the addition of a codicil to amend your existing will. The wording of the bequest can be very simple:

*I give the Sisters of Sister of Notre Dame, Toledo, Ohio, _____ percent of the residue of my estate, to be used by the Sisters wherever the needs are greatest. **or***

*I give, devise and bequeath to the Sisters of Notre Dame, Toledo, Ohio, (X dollars) or (X shares of stock) or (legal description of real property) to be used to further their mission. **or***

To make a gift of all that remains after taking care of family and other interests:

All the rest, residue and remainder of my estate, both real and personal property, whatsoever and wheresoever located, I give, devise and bequeath to the Sisters of Notre Dame, Toledo, Ohio, to be used to further their mission.

For help in planning your will, request a Will Planning Inventory, an estate planning guide book from **George Mezinko**, Partnership for Mission Director, at 419.479.3093 or gmezinko@toledosnd.org.

Charitable Gift Annuity

A charitable gift annuity is a contract with the Sisters of Notre Dame, Toledo, OH, which provides a life-long guaranteed payout to the donor. At a time when interest rates are low, an annuity can provide a reliable source of annual income at a rate higher than the current interest rate. The income payments can supplement other income sources, such as Social Security and pension benefits, which may not provide enough income by themselves. In addition to the immediate tax deduction for a portion of the gift, some of the income is also tax-free.

The rate on the annuity is based on the donor's age (generally, the older the annuitant, the higher the level of income), whether it is a single or two-life donor, and whether it is immediate or deferred. Once the payments begin, be they quarterly, semi-annually or annually, they are set at that amount for the life of the donor(s).

An example: A \$10,000 charitable gift annuity in July 2010 for a single donor age 60, would have an annuity income to the donor at an estimated 5.0% rate.

Here is how it works:

- The benefactor makes an irrevocable gift to the Sisters of Notre Dame, Toledo, OH.
- In consideration of the gift, the Sisters agree to establish an annuity for the benefactor at a set payout for the rest of his/her or their lives.
- The benefactor receives an immediate tax deduction for making the gift.
- A portion of the annual annuity to the benefactor is tax-free income.
- At the time of the benefactor's death, the remainder of the original gift belongs to the Sisters of Notre Dame, Toledo, OH to further its mission.

A deferred charitable gift annuity is similar to a charitable gift annuity except that the payments are deferred to a future date. A donor may defer payments to years when income is needed more, such as retirement. The donor obtains a substantial charitable income tax deduction in the year that the gift is made. Because payments are deferred, allowing the principal

to grow, the donor enjoys a higher payout rate later.

Charitable Trust

Donors, with the help of their financial advisor, may choose a charitable trust as a way of making gifts to the Sisters of Notre Dame, Toledo, OH while providing for potentially significant tax benefits. There are a variety of Trust vehicles to satisfy a particular benefactor's interest. A Trust can increase income, reduce taxes, unlock appreciated investments and rid the donor of investment concerns and obligations while making a significant gift to the Sisters of Notre Dame, Toledo, OH. Three specific Charitable Trusts are:

Charitable Remainder Trust (CRT) A Charitable Remainder Trust is an irrevocable Trust that pays a fixed income, for life or a specified period of time, based on the value of assets at the time the Trust is created. Depending on the terms of the Trust agreement, the Trust will then make payments to the donor and/or family or friends named by the donor. When the Trust terminates, either at the end of the beneficiaries' lifetimes or a period of years, the Trust's remaining principal will be transferred to the Sisters of Notre Dame, Toledo, OH for use. This planned gift has some generous tax advantages, including avoiding or postponing capital gains tax on appreciated property, and possible lower estate taxes.

Charitable Remainder Unitrust (CRUT) Similar to the annuity Trust described above, but the Charitable Remainder Unitrust provides a fluctuating income based on a fixed percentage of the Trust's annual value. Tax advantages include avoiding or postponing capital gains tax and possible lower estate taxes.

Charitable Lead Trust If your goal is to provide an inheritance for your children but you would also like to make a significant charitable gift through your estate, a Charitable Lead Trust can help you satisfy both objectives. A Charitable Lead Trust can lessen the estate tax burden for your children. As with any estate planning decision, consult your legal, financial and tax advisors for advice and information on applicable state and federal laws

Life Insurance Policies

Perhaps you would like to make a sizable contribution to the Sisters' ministries in the future but you do not want to reduce the estate you will pass onto your family. The solution? Purchase life insurance. Life insurance policies can be an easy method of supporting the Sisters of Notre Dame, Toledo, OH. A life insurance policy may be purchased designating the Sisters of Notre Dame, Toledo, OH, as a beneficiary. If an existing life insurance policy is no longer needed for the original intent for which it was purchased, the beneficiary can be changed to the Sisters of Notre Dame, Toledo, OH. Giving insurance policies often creates current income tax benefits as an income tax deduction for, roughly, the cash surrender value of the policy. If the policy is not fully funded, you may continue to pay the premiums and receive a tax deduction for the annual premium amount. To qualify for a federal tax deduction, one must name the monastery as owner and beneficiary of the policy which can readily be accomplished through your insurance company.

As with any estate planning decision, consult your legal, financial and tax advisors for advice and information on applicable state and federal laws.

Gifts of Property/Real Estate

A gift of property, free of mortgage, alleviates capital gains tax and gives the donor an income tax deduction on the fair market value of the gift. Donors may be allowed to remove the asset from their taxable estate and give the property to charity while still living on the property.

Estate Agreement

With this agreement, a donor transfers the title to a residence or farm to the Sisters of Notre Dame, Toledo, OH while retaining the right to live there and use the property for life. The donor may be entitled to a current tax deduction equal to the value of the remainder interest.

For more information, contact **George Mezinko**, Partnership for Mission Director, at 419.479.3093 or gmezinko@toledosnd.org.

As with any estate planning decision, consult your legal, financial and tax advisors for advice and information on applicable state and federal laws for all of the above mentioned ways of giving.

Individual Retirement Accounts (IRAs)

Donors may wish to make a gift of some of their retirement assets to the Sisters of Notre Dame, Toledo, OH. Naming the Sisters of Notre Dame, Toledo, OH as a beneficiary of your Individual Retirement Account (IRA) or other retirement plan assets can be an ideal way of making a future gift to the Sisters for the purposes of carrying on their ministries. Doing so can also provide double tax benefits by avoiding estate tax and income tax that would otherwise be due if the assets were left to your heirs. If you have any questions or are in need of additional information, please contact **George Mezinko**, Partnership for Mission Director at 419.479.3093 or gmezinko@toledosnd.org.

Disclaimer

The Sisters of Notre Dame, Toledo, OH are not engaged in legal or tax advisory service. For advice or assistance in specific cases or whether to make certain a contemplated gift fits well into your overall circumstances and planning, the services of an attorney or other professional advisor should be obtained.

The purpose of this website is to provide general gift, estate, and financial planning information. Watch for tax revisions. State laws govern wills, trusts, and charitable gifts made in a contractual agreement. Advice from legal counsel should be sought when considering these types of gifts.

We do not collect or store any sensitive information through this website. When you send us an email, just remember that like any other email it is not secure, and therefore you should refrain from sending sensitive data such as social security numbers, credit card numbers, bank routing numbers, and the like.

The material presented on this website is not offered as legal or tax advice.

