

# Planned Giving *Options*

## Key to options...

If you want to remember your favorite charities and **DO NOT NEED additional income**, choose from options 1, 2, 7 and 8.

If you want to remember your favorite charities and **NEED a fixed income**, choose from options 3, 4 and 5.

If you want to remember your favorite charities and want a **variable income**, choose Option 6

### Please note...

This is general information and is not intended to be tax or legal advice. Please consult your own advisors.



Toll-Free 1.888.448-3040  
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| Type of Gift  | Income and Tax Implications   |   |  |   |
|---|---|---|--|---|
|   | Benefits to You   | Income to You   | Taxation of Income   | Benefits to Your Charities                                      |
| <u>Option 1</u><br><b>Bequest in Will</b>                                   | Provides estate distribution as desired. Generally escapes estate and inheritance taxes.  | None  | None   | Bequest payable to Charity(ies) of your choice.                 |
| <u>Option 2</u><br><b>Gift of Stock, Securities or Appreciated Property</b> | Avoidance of capital gain tax. Tax deduction for fair market value of gift if asset was held for more than one year. Removed from estate for tax purposes.  | None  | None   | Immediate receipt of stock, securities or appreciated property. |
| <u>Option 3</u><br><b>Charitable Gift Annuity</b>                           | Immediate tax deduction for portion of original gift amount. Portion of annual payment is tax exempt. Capital gain is spread out. Generally escapes estate and inheritance taxes.   | Fixed percentage based on age. Paid annually or quarterly.                        | Portion of income is taxable.  | Receive balance at death.                                       |
| <u>Option 4</u><br><b>Deferred Payment Gift Annuity</b>                     | Immediate tax deduction for portion of original gift amount. Portion of annual payment is tax exempt. Capital gain is spread out. Generally escapes estate and inheritance taxes. Deferral of income allows for higher percentage rate. | Fixed percentage based on age when payments commence. Paid annually or quarterly. | Portion of income is taxable.  | Receive balance at death.                                       |
| <u>Option 5</u><br><b>Charitable Remainder Annuity Trust</b>                | Initial tax deduction on value of charitable remainder interest. No initial capital gain tax.   | Fixed income based on initial value of Trust. Paid annually or quarterly.         | Income and capital gain reportable.  | Receive balance at death.                                       |
| <u>Option 6</u><br><b>Charitable Remainder Unitrust</b>                     | Initial tax deduction on value of charitable remainder interest. No initial capital gain tax.   | Variable income based on annual value of Trust. Paid annually or quarterly.       | Income is reportable. Depending on performance, gain may or may not be reportable. | Receive balance at death.                                       |
| <u>Option 7</u><br><b>Gift of Life Insurance Policy</b>                     | Certain tax deductions for premiums paid, dividends assigned, cash surrender or replacement value. Generally escapes probate and estate taxes.  | None  | None   | Policy payable to Charity(ies) of your choice.                  |
| <u>Option 8</u><br><b>Charitable Lead Trust</b>                             | Remainder returns to family. May reduce annual income tax and federal estate tax.   | None. Payable to the charity(ies) of your choice.                                 | In <u>very</u> limited instances.  | Income for period of years.                                     |