

Legacy giving options

GIFTS FROM YOUR ESTATE

Bequest in your will or trust

- You can make a bequest gift of a percentage of your estate, the remainder of your estate, specific property or a specific dollar amount
- The estate may receive a tax deduction in the amount of the charitable bequest.
- If you already have a will, an attorney can help arrange a charitable bequest with a simple amendment or codicil.

Sample bequest language:

I give X% of my estate to the Jewish Federation of Central Mass (TIN 04-2104363) to be placed into an endowment fund to benefit (name of charitable organization(s)).

Retirement plan (401(k) or IRA) designation

- You can name one or more charities as after-death beneficiaries of a retirement plan.
- The most tax-wise option: whereas retirement plan distributions to heirs can be extremely high (exceeding 70% in some cases), retirement plan distributions to charity incur no taxes.
- These gifts are simple to complete requiring only a change of beneficiary form. You should ask your plan administrator for the form.

Life Insurance

- You can name one or more charities as beneficiaries of a life insurance policy.
- You retain the right to change the beneficiaries at any time.
- You can have the organization purchase the policy, and you make annual donations to pay the premium.

GIFTS YOU CAN GIVE NOW

Cash

- Gifts of cash may be made as part of the LIFE & LEGACY program. Cash gifts must be designated to the endowment of an organization.

Appreciated, marketable securities

- You incur no capital gains tax.
- You receive a tax deduction for the fair market value.
- You can donate in increments when the timing is right for your family.

Real estate and other appreciated property

- Real estate gifts are deductible at fair market value.
- Real estate gifts incur no capital gains tax.

Qualified Charitable Distribution from IRA

- Once you attain age 70 1/2, you can direct your IRA custodian to make a direct gift of up to \$100,000/year from your IRA to a public charity to count as part or all of that year's Required Minimum Distribution.
- You don't report the QCD as income or take it as a deduction.

Real Estate Retaining Life Estate

- You can transfer your "remainder interest" of a personal residence, but retain a life estate in the property.
- You continue to live on the property and are responsible for maintenance, taxes, etc. because you maintain a "life estate" in the property.
- The property vests in the charity as "remainderman" upon your passing.

GIFTS THAT PROVIDE INCOME

Charitable remainder trust

- You can make a gift that produces income for you or for loved ones.
- You take a pro-rated tax deduction now and leave the remainder to charity.
- This may reduce estate taxes accordingly.
- The trust can make fixed payments, or payments that change with the value of the trust.
- Upon the end of the term, the remainder of the trust becomes your legacy gift for your favorite charitable organization(s).

Please note that these descriptions are informational only, and do not constitute legal or tax advice. Please consult with a financial or estate planning professional to understand the implications of a gift for your particular circumstances and goals.

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