



# Planned Giving Options

## Congregation of the Humility of Mary

---

### ***Cash gifts***

Gifts of cash, usually by check, are the most popular form of charitable giving. Cash is attractive because it is simple to transmit, immediately effective, and easily designated for the ministry of your choice. All cash gifts are immediately tax deductible.

### ***Appreciated Assets***

Tax laws in the U.S. are structured so that donors are encouraged to give as generously as possible to their favorite charitable organizations. Gifts of assets which have increased in value since their purchase are particularly attractive under our current tax laws.

For example, sales of stocks, bonds, mutual funds and real estate property that have appreciated in value generate a taxable capital gain. Gifts of those appreciated assets to not-for-profit organizations are deductible at their fair market value if they have been held longer than 12 months. The fair market value of an appreciated asset can be deducted up to 30% of the donor's gross income. Excess deductions can be carried forward into as many as five additional tax years.

### ***Gifts of Life Insurance***

Life insurance is a flexible way for virtually everyone to make a meaningful gift. Consider the following ideas:

◆ ***Give a paid up policy.*** Most people own life insurance, and many have policies that have outlived their original purpose. For instance, policies insuring a college education, a business, or those protecting a mortgage can make excellent gifts when given to a charitable organization. The donor can deduct the replacement value of the policy.

◆ ***Buy a new policy.*** Some people find they can make a larger gift than they could otherwise by purchasing a life insurance policy and naming the Congregation as owner and beneficiary. The premiums paid are deductible as cash contributions.

◆ ***Buy insurance to replace a bequest.*** Some donors find they can make a current gift of the assets they had planned to bequeath in their wills. They receive the income tax benefits now and replace the assets by buying a life insurance policy for the gift amount. They enjoy the satisfaction of giving now and receiving the tax deduction when they need it most. The beneficiaries will still receive the same bequest at the donor's death.

◆ ***Add a beneficiary.*** Regardless of financial circumstances, almost anyone can name a not-for-profit organization like the Sisters of Humility as a secondary or final beneficiary of a new or existing policy. This simply means that if the first beneficiary/beneficiaries predecease you, the Humility community becomes the beneficiary. Proceeds that go to the Sisters will be deductible from federal estate taxes.

### ***Bequests***

Organizations which now benefit from your current generosity will miss your support after you are gone. By including bequests in your will, you can ensure that your charitable giving will continue in perpetuity. There are several ways to make a bequest through your will:

- *a percentage* of your estate
- *a residue*, whatever is left after other bequests have been granted
- *a specific dollar amount*
- *a specific property*.

### ***Life Income***

A life income plan allows you to make a gift to the Sisters of Humility and receive payments for life. These plans include charitable gift annuities, charitable annuity trusts, and charitable unitrusts. Each plan allows you to enjoy immediate benefits in exchange for your future contribution.

### ***Life Estate Contracts***

Some people may choose to give their personal residence, farm or vacation home to an organization such as the Congregation. Through a charitable life estate contract you deed the property to our organization now, but retain the right to live in the home or use the farm for the remainder of your lifetime. You would continue to be responsible for the maintenance, upkeep, taxes, insurance, etc. By making this type of transfer, you ensure the rapid conveyance of the property to the Sisters of Humility at the time of your death. Additionally, you receive an income tax deduction in the year you deed the property over.

### ***Gifts of Retirement Assets***

When you bequeath retirement assets to heirs you are leaving them taxable assets. After your heirs pay the taxes due on these assets, their inheritance will be considerably less than the original amount. Gifts of retirement assets can save your heirs undue tax burdens and allow you to accomplish your charitable objectives

We recommend you discuss these options and opportunities with your financial advisor, accountant or attorney. Please contact us for additional assistance if needed. For all contributions, our official name is: **Congregation of the Humility of Mary.**