



Why Planned Giving?

*Making a Difference,
Leaving a Legacy!*



Presentation by J. Rodger Clark

Director of Planned Giving

The Humanist Foundation of the American Humanist Association

Upfront Disclaimers

- This presentation is intended as a public resource and for general informational purposes.
- The information contained in this presentation is not intended to be nor does it constitute specific legal or financial advice.
- Every individual's situation is different, and you should not act or refrain from acting based upon information provided in this presentation without first consulting legal counsel.

Planned Giving Defined

- Planned giving uses tax, financial, and estate planning techniques to enable a person to make a substantial gift commitment to a charitable cause that provides significant tax and financial benefits to the donor.
- Through the use of planned giving techniques, the gift is often greater than if the person may have previously considered because the benefits may dramatically reduce the net cost of the gift.
- A person's overall satisfaction is increased because they can make larger gifts and "experience" the implication of their intent during their lifetime.

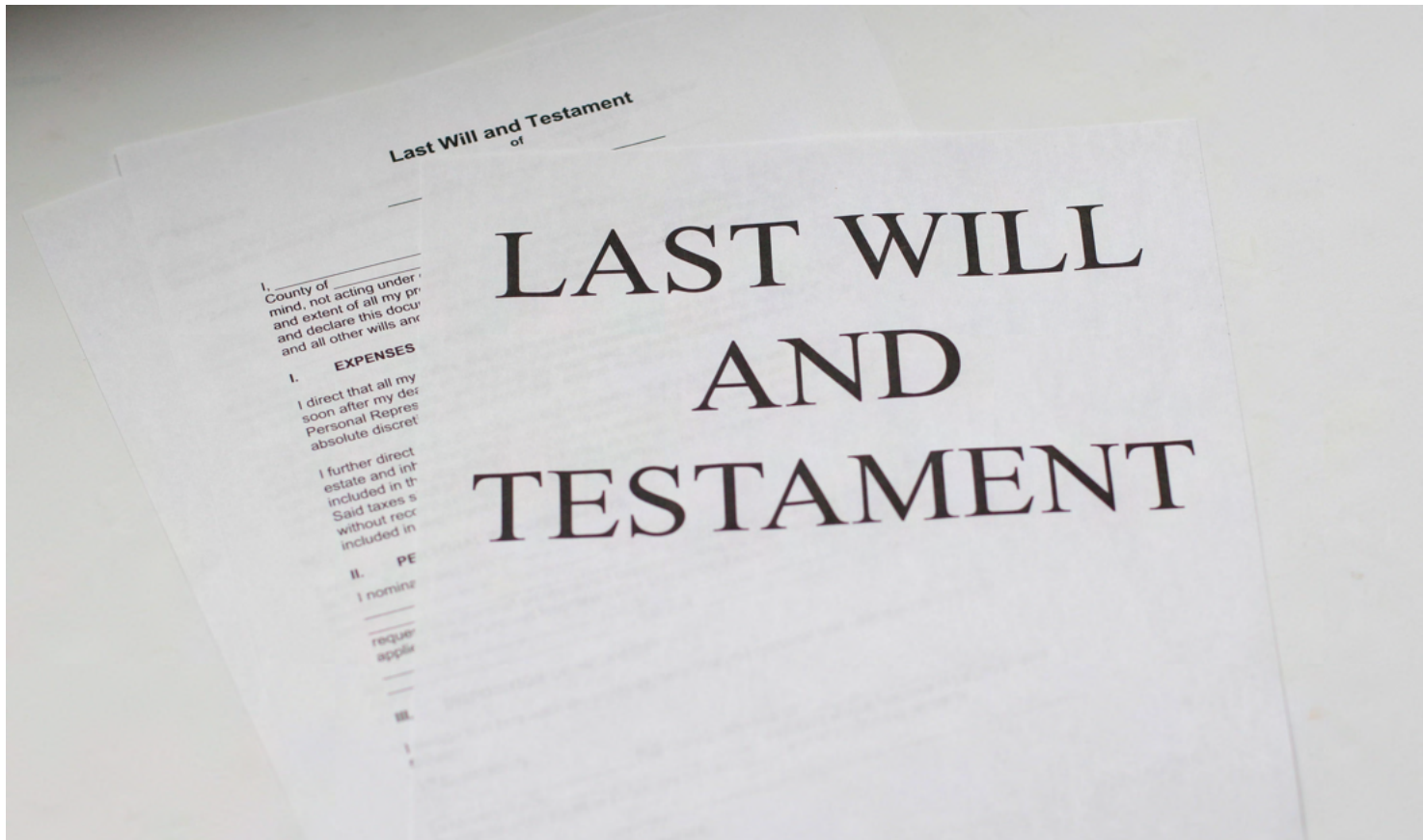


Everyone's in the same
boat!

No matter what the size and scope of one's wealth, at death everyone has only three choices of what can happen to their assets –

1. They go to the people we want them to
2. They go to the organizations and causes we care about
3. They go to the government

Pick 2!



First Things First

Everyone Needs a Will!

- A will is a legal instrument executed with certain formalities that directs the disposition of an individual's property at death.
- A will is revocable anytime during the lifetime of the testator and only becomes effective at the testator's death.



Legal Requirements of a Valid Will

- Must be at least 18 years old
- Must be in writing (typed or handwritten)
- Must be signed at the end by the testator
- Must be signed in the presence of at least two competent, disinterested witnesses (not beneficiaries)
- Witnesses must sign the will in the presence of each other



The Choices We Make

Gifts to Family and Friends

There are various ways to make gifts to the people we care about – depending on your situation, some are more beneficial than others

- Certain assets given as bequests have tax implications on the recipient
- Creating a trust can be a way to avoid unnecessary encumbrances
- Life insurance can be a good option



Charitable Gift Planning

The Gift of a Lifetime

In virtually all cases, making plans to provide for charitable causes we care about can end up beneficial for all concerned.

- Using certain assets in a charitable plan can reduce an estate's tax burden
- Appreciated assets given to a qualifying charity not subject to capital gains tax



Types of Charitable Gifts

- *Outright Bequests*
- *Charitable Gift Annuities*
- Gifts through an IRA
- Gifts through Life Insurance
- Gifts of Property
- Charitable Trusts
- Gifts of Appreciated Stock

A Quick Review

Make sure you take care of the legal details to ensure your estate plan will accomplish what you want it to.

An estate attorney or a financial planner who specializes in estate planning may be helpful in understanding these details further.

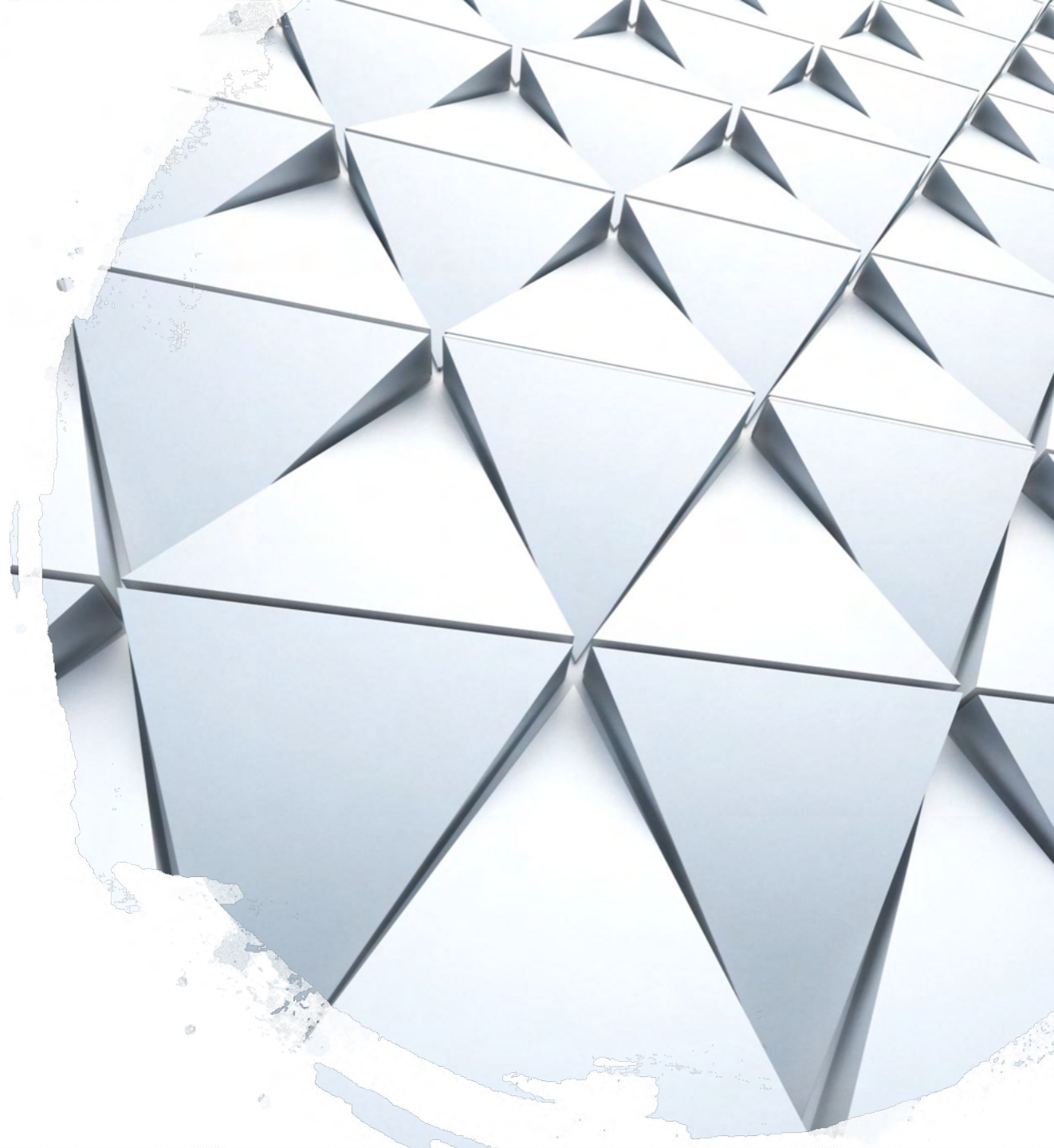


Your Will

Draw up a will. Just do it!

Dying without a will (called "dying intestate") means that state law determines how your investments are divided among relatives.

If you have no living relatives and no will, your assets escheat back to your state of residence.



Probate vs. Non-Probate

- **Probate Property** – all property owned by the decedent at death that will pass either by intestate succession or by the decedent's will
- **Non-Probate Property** – all property that will pass directly to a named beneficiary or beneficiaries upon the decedent's death outside of the probate process
- Know the probate laws in your state
- Investment accounts without a joint owner or documented beneficiary may have to go through probate to change ownership, a potentially long and costly process

Beneficiaries

- Review the [beneficiaries](#) on all accounts
- Changing beneficiaries may require your spouse's consent
- List secondary beneficiaries in case your primary beneficiary dies before you
- Your retirement accounts pass to beneficiaries without going through probate court, but if you leave a retirement account to your estate, it may have to go through probate before the assets can be distributed



Questions???