

<b>Red</b>	—No Income
<b>Green</b>	—Fixed Income
<b>Blue</b>	—Variable Income (dependent upon market conditions)
✦	—Revocable Agreement (principal subject to return)

## ESTATE PLANNING

### Legacy Planning Options



Type of Gift	Income	Taxation of Income	Benefits	Beneficiary
<b>Bequest in Will</b>	None	None	Provides estate distribution as desired. Escapes estate and inheritance taxes.	Bequest payable to charity
<b>Life Insurance (Charity as Beneficiary)</b>	None	None	Estate and inheritance tax deduction on premiums paid, dividends assigned, cash or replacement value. Avoids probate and estate taxes.	Policy payable to charity
<b>Charitable Remainder Annuity Trust</b>	Fixed income based on initial value of trust	Income and capital gains reportable	Initial tax deduction on value of charitable remainder interest. No initial capital gains tax.	Receives principal at death
<b>Charitable Remainder Unitrust</b>	Variable income based on annual value of trust	Income and capital gains reportable	Initial tax deduction on value of charitable remainder interest. No initial capital gains tax.	Receives principal at death
<b>Life Income Contract</b>	Variable net income from principal	Annual income reportable	Initial tax deduction on value of charitable remainder interest. No initial capital gains tax.	Receives principal at death
✦ <b>Life Estate Contract</b>	None, unless property rented for income	None unless rental income, then taxable	Retains life estate in property. Initial tax deduction on fair market value. Avoids capital gains tax.	Receives principal at death
<b>Gift through an Intervivos Trust</b>	None	None	Will substitute. Investments handled by donor. Savings in estate settlement. Privacy maintained at death.	Receives gift at death
<b>Deferred Payment Gift Annuity</b>	Fixed percentage based on actuarial tables	Portion of income reportable	Receives tax deduction now. Defers income to later date. Substantial tax exemption on income paid. Reduction of capital gains tax.	Receives principal at death
<b>Pooled Income Fund Trust</b>	Rate based on actual earning of trust	All income reportable	Permits small contributions. No capital gains taxes. Varied income.	Receives principal at death
<b>Irrevocable Trust Agreement</b>	If necessary	Income and capital gains reportable at trust rates	Eliminates assets from estate.	Receives principal at death
<b>Beneficiary Designation</b>	As needed	Varies with vehicle	Estate and inheritance tax deduction or principal at death. Avoids probate.	Receives principal at death

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## GIVING WHILE LIVING

### Legacy Planning Options



Type of Gift	Income	Taxation of Income	Benefits	Beneficiary (or Beneficiaries)
<b>Gift of Life Insurance Policy</b>	None	None	Tax deduction on cash surrender value. Charity takes control of policy.	Policy payable to charity
<b>Gift of Stock, Securities or Appreciated Property</b>	None	None	Tax deduction up to 30% AGI; carries forward for 5 additional years.	Immediate receipt of security
<b>Cash Gift</b>	None	None	Tax deduction up to 50% AGI; carries forward for 5 additional years.	Immediate receipt of cash
<b>Charitable Gift Annuity</b>	Fixed percentage based upon actuarial table (age)	Portion of income reportable	Tax deduction on gift portion. Substantial tax exemption on income paid. Reduction of capital gains tax.	Percentage of interest earnings; Principal at death
✦ <b>Revocable Deposit Agreement</b>	Rate of interest determined annually	Annual income reportable	Deposit can be withdrawn. Additional deposits can be made. Remaining principal not subject to probate and death taxes.	Percentage of annual income if provided for; Principal at death
✦ <b>Short-term Charitable Trust</b>	No income to the donor, net income to charity	None	Saves reporting taxable income during the term of the trust. Possible income tax savings.	Income from trust; Possible beneficiary
<b>Charitable Lead Trust</b>	None	None	Remainder trust to donor, children, grandchildren. Reduces annual income tax. Deduction allowed on creation.	Income for period of years
<b>Donor Advised Fund</b>	None	None	Tax deduction on gift, not given directly to charity, but is directed as donor sees fit over time.	Income as periodically distributed by donor
<b>Foundation</b>	May take salary	Ordinary income	Tax deduction on gift, not given directly to charity, but is directed as donor sees fit over time.	Income as periodically distributed by donor