

DONOR BENEFITS IN CHARITABLE GIFT PLANNING AND SIMPLER PLANNED GIFTS

Or

Why So Many People Are Considering Planned Gifts to Further Estate and Financial Planning Goals

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DONOR BENEFITS IN CHARITABLE GIFT PLANNING

- Personal satisfaction, the joy and pleasure of becoming a philanthropist for the donor's favored charities, leaving a legacy
- **AND, also:**

- **INCOME TAX SAVINGS**

- Reduced income tax
- The avoidance of additional tax on long-term capital gains
- Reduce or avoid income tax owed by the survivor beneficiary of qualified retirement plans
- Income tax deduction with retained life estate, or term of years, of personal residence, vacation home or farm

- **GIFT AND ESTATE TAX SAVINGS**

- Lifetime charitable lead trust
- Through lifetime charitable gifts and testamentary provisions
- Significant estate tax savings from charitable income plans where donor and spouse are the only income beneficiaries

- **INCREASED LIFETIME INCOME**
 - Charitable Gift Annuity
 - Charitable Remainder Trust
- **TAX-SHELTERED LIFETIME INCOME**
- **SUPPLEMENTAL RETIREMENT INCOME**
- **ASSET MANAGEMENT, DIVERSIFICATION**
- **FINANCIAL SUPPORT (FIXED OR VARIABLE, FOR A TERM OF YEARS OR LIFE), OF FAMILY MEMBERS OR FRIENDS**

SIMPLER TYPES OF PLANNED GIFTS FOR ENDOWMENT WITH LITTLE ADMINISTRATIVE RESPONSIBILITY BY CHARITY

- Bequests - donor includes “magic language” in a *valid* will or testamentary trust
- Beneficial Designations of a Percentage of (Part or All) of (One or More) Retirement Plan Assets - Revocable, Flexible Giving Method, for Almost All Aged Individuals, from Expensive Assets for Family to Inherit

- Gifts of Life Insurance Policies That Are No Longer Needed, Gifts Made by Ownership (possible tax breaks) and/or Beneficial Designation of (Part or All) of Existing Life Insurance
- Gifts Funded by Some or All of Your Appreciated Stock or Real Estate (often low yield)

- Gifts of Real Property Subject to Life Estate or Term of Years (for donor and spouse, partner, sibling) – a personal residence, vacation home or farm, only
- TOD (Transfer on Death deeds), legal in many states, owner signs new deed or affidavit with designated beneficiary, owner's death certificate filed in same public records where realty located. In a few states, called the Enhanced Life Estate Deed. Avoids probate. Bank accounts too.

- Testamentary Disposition, by Bequest, of Government Savings Bonds; if no longer paying income, cash in, outright gift to charity, or fund charitable gift annuities for self and another
- Promoting Gifts Other than Cash - vary message, testimonials, stories to illustrate