

# *COLORADO WOMEN'S EDUCATION FOUNDATION*

## PLANNED GIVING & BEQUESTS

### WAYS TO GIVE

**With so many ways to give, consider your personal circumstances and the needs of your heirs as well as these planned giving strategies. If you have a taxable estate, charity is a wonderful way to help you, your heirs and CWF.**

**Lifetime Gifts:** By donating assets and funds to us during your lifetime, it is personally satisfying and you are rewarded for your generosity with tax breaks now.

*Click for More Information:* Lifetime gifts are fulfilling, but the likely choice of cash may not be the best option. The best lifetime gifts may be direct donations of highly appreciated assets, such as stock, real estate, jewelry, and collectibles. When sold normally these appreciated assets would result in a significant tax burden for you. If you instead donate the asset to CWF directly, we benefit by selling the asset and receiving the full proceeds of the sale without tax. You benefit by eliminating substantial taxes on the gain while obtaining a charitable tax deduction for the fair market value of the asset. In addition, you will successfully remove any future appreciation from your taxable estate without transfer costs.

**Bequests:** One of the rewarding ways to continue your lifetime generosity is by making a charitable bequest in your will. A bequest is one of the easiest and most direct ways to make a charitable donation as it only requires a statement of an outright gift in your will. Your donation will reduce your estate and corresponding estate taxes.

*Click for More Information:* Making a outright gift only requires a short paragraph in your will that names us as the charitable beneficiary and states the amount of your gift at the time of death. This option is especially appropriate when your gift is cash or when the amount of your gift is relatively small. A bequest will provide support for our mission while also providing a tax deduction for your estate.

If your heirs are not yet self-sufficient or are dependent on their inheritance, then consider naming us in your contingent disposition section of your will or as a contingent beneficiary (see Beneficiary section). If your intended gift is large, consider one of our lifetime gift strategies.

**Beneficiary Designations:** Demonstrate your support of our mission beyond your lifetime by naming us as a beneficiary of your life insurance, annuity, brokerage account, or your retirement plan.

*Click for More Information:* Due to potential double tax savings, making us the beneficiary of your retirement account may be more beneficial than any other account designation. First, the charitable gift to us will be deductible for estate tax purposes, which may make more assets available for your non-charitable beneficiaries and heirs. Second, as a charity we will not have to pay any income tax on the funds we receive whereas your heirs would have to pay taxes on their personal returns. This double tax benefit can save taxes that may otherwise eat up a substantial portion of your retirement account.

You may replace the “lost inheritance” by utilizing effective **wealth replacement strategies**. Consider a purchase of life insurance to replace the benefit to your heirs income tax free. Further, if you place the new insurance in an Irrevocable Life Insurance Trust (ILIT), you may also be able to eliminate estate taxes on the insurance proceeds.

**Charitable Trusts:** Establishing a form of charitable trust is a means of providing us with much-needed support. It may also help to increase your income, unlock the potential of illiquid or appreciated assets, reduce taxes (income, gift, and estate), reduce or eliminate investment concerns, and still provide for yourself and/or your heirs.

*Click for More Information:* There are many types of charitable trusts, the most common of which include the charitable lead trust and the charitable remainder trust. These trusts may be established during your lifetime or as part of your will or trust.

As your selected charitable beneficiary, a charitable lead trust would provide us with a stream of income for a designated number of years. Once the income period has ended, the trust principal passes to your designated non-charitable beneficiaries and heirs. A charitable remainder trust is the mirror image of the charitable lead trust. Trust income is payable to you or designated beneficiaries, and we receive the trust principal at the end of the term.

**Memorials and Endowments:** Discover a powerful way to make a gift to us in your name or in the name of a loved one while realizing tax benefits for your kindness and provide a legacy for many generations to come. Designate your personal wishes in your will to be fulfilled at your passing. Request donations to CWF in lieu of flowers or gifts. When a loved one passes, honor their memory by raising a memorial fund in their honor. Further expand your contribution by encouraging friends, family, and coworkers to gift in your honor or a loved one’s honor.

**Remainder Interests--Donate Your Home:** Make a gift to us of a remainder interest in your home or property, receive sizable tax benefits now, and still continue living in your home for the rest of your life.

*Click for More Information:* If you have a primary or secondary home, consider establishing a Qualified Personal Residence Trust (QPRT) with us as the remainder beneficiary. This may remove a highly appreciated residence from your estate while still allowing you to continue enjoying its use for a period of time that you designate.

*Contact us for more information on your Planned Giving & Bequests: [office@cwef.org](mailto:office@cwef.org)*

*These are just a few charitable strategies to consider, and there may be different levels of benefits to each of these planned giving strategies. Consult your financial planner, estate planning attorney, and accountant for assistance in determining the best strategy for your family.*