



Generations of Faith

Estate Planning

What is a Planned Gift?

A planned gift is a philanthropic legacy that is funded either during or after one's lifetime. There are many giving vehicles that are available that can help you achieve your long-term goals, allowing you to take care of loved ones while still supporting *Generations of Faith* and Catholic Foundation for Brooklyn and Queens.

Why should you consider a Planned Gift?

- Leave a lasting legacy to Catholic Foundation and the Diocese of Brooklyn.
- Support Generations of Faith and Catholic Foundation with a gift that costs nothing during your lifetime.
- Reduce income and/or estate taxes.
- Avoid or reduce capital gains tax.
- Pass assets to family at a reduced tax cost.

Five Opportunities to Leave a Lasting Legacy to *Generations of Faith* and Catholic Foundation for Brooklyn and Queens

Choose A Gift That Matches Your Goals

A Gift of...	Securities	Bequest	Retirement Plan Assets or IRA	Life Insurance	Charitable Gift Annuity
How does it work?	Make a pledge or gift to <i>Generations of Faith</i> with appreciated securities (stocks, portfolios, etc.).	Plan now, give later – cash, securities, retirement plans, or real estate can be given to the Catholic Foundation and <i>Generations of Faith</i> through a will or a trust.	Name Catholic Foundation as a beneficiary of the plan.	Gift an old or new policy to Catholic Foundation as the beneficiary or owner.	Simple gift contract that provides lifetime payments to one or two persons.
What do you want to do?	Avoid tax on capital gains; Make a larger gift to <i>Generations of Faith</i> .	Make a gift to <i>Generations of Faith</i> that costs nothing during your lifetime.	Avoid taxes on minimum distributions during your retirement years.	Make a large gift to <i>Generations of Faith</i> at little cost.	Supplement income with steady payments that are partially tax free.
How do you make the gift?	Contribute long-term appreciated stock to <i>Generations of Faith</i> .	Name Catholic Foundation in your will by designating a specific amount or a share of the residue or trust.	Name Catholic Foundation as a whole or partial beneficiary on your plan.	Gift an old policy or open a new policy and name Catholic Foundation as the beneficiary.	Establish a gift annuity contract with us that pays a set amount for life.
Donor Benefits	A charitable deduction plus no capital gains tax.	A gift that is fully exempt from estate tax.	The ability to leave your family assets that carry less tax liability.	Current and possibly future income tax deductions.	Current and future tax savings plus stable payments.

Securities

Giving stocks or bonds may provide greater tax benefits. If you have owned securities for more than one year and the fair market value has increased since you purchased them, you can avoid capital gains tax and receive a charitable income tax deduction equal to the fair market value. If you own stock, it is almost always more tax-wise to contribute stock than cash. This is because a gift of appreciated stock generally offers a two-fold tax saving. First, you avoid paying a capital gains tax on the increase in value of the stock. Second, you receive an income tax charitable deduction for the full fair market value of the stock at the time of the gift.

Bequests

A bequest establishes your wishes today without relinquishing needed assets during your lifetime. Bequests can transfer a specific asset or you can also give a percent of the estate after costs and taxes. A bequest is one of the simplest types of planned gift to make and one of the easiest to implement. Cash, securities, real estate or personal property can be given to the Catholic Foundation and Generations of Faith through a will or trust.

Retirement or IRA Assets

Many donors are unaware that they can use their retirement plans to make a gift to Catholic Foundation in support of Generations of Faith. Most donors have no idea that their retirement plans, including IRA's, Keoghs, and 401(k)s and nonqualified deferred compensation may currently owe income, federal and state real estate taxes. These taxes can consume over 50 percent of the assets in those plans. This tax hit makes retirement plans one of the worst assets to leave family, but one of the best vehicles for giving to Catholic Foundation and Generations of Faith. By giving these funds to Catholic Foundation and directing other assets to the donor's family, the donor may receive significant tax benefits while helping to ensure the future of the Church in Brooklyn and Queens.

Life Insurance

The gift of a paid-up life insurance policy by designating Catholic Foundation as the owner and beneficiary will provide you a charitable income tax deduction that, in most cases, is equal to the cash-surrender value of the policy. For policies that are not fully-paid up, you could continue to make premium payments each year that would be eligible for a charitable tax-deduction. You can also simply designate Catholic Foundation as a beneficiary of an existing policy.



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Charitable Gift Annuity

A Charitable Gift Annuity is a contract under which a charity, in return for a transfer of cash, marketable securities or other assets, agrees to pay a fixed amount of money (payment) to one or two individuals (beneficiaries or annuitants), for their lifetime. The contract is between the donors and Catholic Foundation, where the donors transfer property (cash, securities, and real property) in exchange for a fixed dollar payment during their lifetime.