

Gift Planning Quick Reference Guide for Donors

Bequests and Charitable Designations

How it works:

- You can make bequests under your will or living trust using cash, securities, real estate or other assets.
- Charitable beneficiary may also be made through a retirement plan (401(k), 403(b), etc.), IRA, or life insurance policy by making For Pete's Sake Cancer Respite Foundation a fractional beneficiary or a total beneficiary, or you may designate For Pete's Sake Cancer Respite Foundation as the owner of a new life insurance policy.
- The bequest or charitable designation can be for a specific purpose in a program, or it can be unrestricted (to be directed to the area of greatest need).

Key Features and Benefits:

- By designating For Pete's Sake Cancer Respite Foundation as your beneficiary under your will, trust, life insurance policy or retirement account, For Pete's Sake Cancer Respite Foundation would receive funds after your death and costs you nothing during your lifetime.
- Beneficiary designations are revocable and are not payable until death. You have the comfort of knowing that you can amend or revoke a charitable gift if your circumstances or family needs change.

Charitable Gift Annuities (Immediate and Deferred)

How it works:

- You contribute cash or securities (\$10,000 suggested minimum gift when you are age 60 or older) to For Pete's Sake Cancer Respite Foundation; in exchange, For Pete's Sake Cancer Respite Foundation pays you and/or another individual ("the annuitants") a guaranteed fixed annuity (annual payment) for the remainder of your lifetime(s).
- The annuity payout rate is determined by the age(s) of the annuitant(s)—one or two annuitants.
- You receive a charitable income tax deduction at the time the annuity is established; the deduction is equal to the present value of what is expected to pass to For Pete's Sake Cancer Respite Foundation.
- It is also possible to defer annuity payments until a specific date in the future (\$5,000 minimum gift when you are age 35 or older, with payments beginning when you are age 60 or older).

Key Features and Benefits:

- A simple agreement that can increase your cash flow, this gift provides guaranteed fixed payments for life.
- Lifetime annuity payments, based on age, may be two or three times higher than your cash return on low-earning securities or CDs.
- If you fund the gift annuity with appreciated securities, there is no income tax generated or capital gains tax is due on the transfer, and the entire amount of the gift can be put to work to generate the annuity payments.
- You can defer payments until the future date, such as retirement (minimum one year). Because of the delay of payments, a deferred gift of annuity offers donors a higher payout rate and a larger charitable income tax deduction than an immediate-payment gift annuity.

Charitable Remainder Trusts (Annuity Trust or Unitrust)

How it works:

- You transfer cash, securities, or real estate (\$100,000 suggested minimum gift) to establish one of two basic types of trusts administered by For Pete's Sake Cancer Respite Foundation. The payout percentage is typically 5-7 percent.
- A charitable remainder annuity trust pays a fixed dollar amount annually for as long as the trust term lasts (lifetime or term of years). The payment must be at least 5 percent of the value of the trust assets when it is established.
- A charitable remainder unitrust differs in that payments are variable, based on a fixed percentage of the unitrust's assets as revalued each year for as long as the trust term lasts (lifetime or terms of years). The payment must be at least 5 percent of the trust's value, revalued annually.
- You receive a charitable income tax deduction at the time the trust is established; the deduction is equal to the present value of the remainder gift to For Pete's Sake Cancer Respite Foundation.
- It is also possible to reinvest payments into the trust or gift them outright to the benefitting program, college, or campus.



Key Features and Benefits:

- These trusts can be a great tool for gifting assets income tax-free and receiving income for life; upon death or at the end of the term of years, the remaining assets go to For Pete's Sake Cancer Respite Foundation.
 - Charitable Remainder Trusts provide steady cash flow.
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Charitable Lead Trusts

How it works:

- You transfer assets (cash, publicly or privately held securities, business or limited partnerships, or income-producing property) to For Pete's Sake Cancer Respite Foundation as trustee (\$500,000 suggested minimum).
- The trust then makes annual payments to the foundation for a term of years and/or your lifetime(s).
- At the end of the trust term, the remaining assets in the trust (including investment growth) are distributed to beneficiaries, typically your heirs, with little or no gift or estate tax consequences.

Key Features and Benefits:

- You greatly reduce or avoid estate tax on trust assets to family if some trust income goes to For Pete's Sake Cancer Respite Foundation for a few years.
 - Your family can often receive more from an estate plan containing a lead trust than they could from an outright bequest from the donor.
 - In some cases, the income term can be set long enough and the payout rate set high enough to zero-out any gift tax.
 - The lead trust is an attractive gift vehicle for appreciating assets because the appreciation in value of the trust assets is not subject to estate and gift tax.
 - You have the singular opportunity to be involved with the For Pete's Sake Cancer Respite Foundation staff and programs benefiting from your gift, and to experience your legacy in action.
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Retained Life Estate

How it works:

- You deed your residence to For Pete's Sake Cancer Respite Foundation but retain the right to live in the property for your lifetime(s).
- At the end of your lifetime(s), For Pete's Sake Cancer Respite Foundation becomes the 100-percent owner of the property; For Pete's Sake will put the property up for sale and use the proceeds to support the purpose you previously designated.
- You receive a charitable income tax deduction at the time of the property is deeded to For Pete's Sake; the deduction is equal to the present value of the remainder interest of the residence.

Key Features and Benefits:

- You can deed your home or farm property to For Pete's Sake Cancer Respite Foundation, save income taxes with a current deduction, and still use the property for the rest of your life.
 - A retained life estate allows you to make a significant gift using what may be the most valuable asset you own without disturbing your living arrangements or cash flow.
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Pete's Legacy of Hope Society

How it works:

- Membership is offered to anyone who establishes a planned gift to benefit For Pete's Sake Cancer Respite Foundation, regardless of the amount. This includes a bequest in a will or living trust, beneficiary designation of a retirement plan or life insurance policy, a gift to fund a life income agreement, or a gift or a retained life estate.

Key Features and Benefits:

- You will receive a welcome letter and memento, along with invitations to events.
- You will join a distinguished group of For Pete's Sake Cancer Respite Foundation friends who have chosen to make supporting For Pete's Sake an important part of their personal and philanthropic legacy.

Contact our office for more questions about gift planning at 267-708-0511
or visit our website at Takeabreakfromcancer.org