



PLANNED GIVING

Planned giving is a broad topic that encompasses any gift where the donor makes a present decision to make a future gift. Planned giving can be the decision to make a gift later in life, but the topic of planned giving is also thought of in the context of gifts made at the time of death. Types of planned gifts include gifts made through various trust and annuity vehicles, such as Charitable Gift Annuities or Charitable Remainder Trusts. However, planned gifts are probably most commonly accomplished through a bequest of property through an individual's last will and testament or through a beneficiary designation on an individual's retirement account, life insurance, or annuity. Planned gifts of this nature are appealing to individuals for a number of reasons. These reasons include the simplicity of the gift designation and gift vehicle; the flexibility of being able to modify or change the gift at any time during your lifetime; and the tax benefits to an individual's estate in the form of an estate tax charitable deduction for the gift's full value. When making any planned gift, whether through a will, annuity, trust, or beneficiary designation, it is vitally important to ensure that the recipient is properly identified and the purpose or use of the gift is clearly spelled out. In identifying the recipient, it is important to utilize the recipient's correct legal name so as to ensure that the gift benefits the correct organization. Once you have properly identified the organization you should be sure to specify the use of the gift. Gifts can be designated for a specific project or capital campaign of an organization, an organization's general operating account, an organization's endowment fund, or for the unrestricted use of an organization. When making a planned gift, an example of proper language to use in a will, trust, or beneficiary designation is a follow:

I, [John Doe], give, devise and bequeath to [full legal name of charity], a Pennsylvania nonprofit corporation located at -----, Pennsylvania -----, EIN-----, [designate the percentage of the estate given, the specific amount, or the description of the property], for [its unrestricted use and purpose] [for its endowment fund] [for its general operating account].

Any time an individual engages in any estate planning they should seek the advice of an attorney and accountant to ensure that they have properly thought through all of the legal and tax implications that arise from a chosen plan. When making a planned gift to an organization an individual should contact the organization to obtain the proper gift language so as to ensure that the gift goes to the right organization and is utilized by the organization as the individual intended. Finally, because situations and circumstances change, an individual should review their estate planning documents at least every three to five years to make sure that nothing has changed with regard to the organization they intended to benefit.

To learn more and to discuss your individual needs, schedule an appointment with Attorney Jim Sher by calling 610-683-0771 or emailing info@sherpc.com.

Disclaimer: This is a brief overview of the subject matter. Please consult an attorney for legal advice regarding your estate planning goals, objectives, and needs.