

## Common Planned Giving Instruments

Type of Gift	Form of Gift	Size of Gift*	Advantages to Donor	Advantages to SCTC Foundation
I. Outright Gifts	-Cash -Securities -Real Estate -Insurance -Personal Property	Unlimited	-Deductible for income tax	-Funds are available for immediate use by SCTC Foundation
II. Life Income Gifts (Irrevocable) A. Charitable Gift Annuities	-Appreciated -Securities -Cash	\$10,000 minimum, no maximum	-Simple to establish -Fixed payments for life -Payments guaranteed by unencumbered assets of SCTC Foundation -Tax deduction when gift is made -Reduced, prorated capital gains tax on gift of appreciated property -Permits deferred payment schedule, if desired	-Ensures future funding for SCTC Foundation
B. Pooled Income Fund Agreements	-Appreciated -Securities -Cash	\$10,000 minimum no maximum	-Variable income that may provide hedge for inflation -Tax deduction when gift is made -Simple to establish -No capital gains tax on gift of appreciated property	-Ensures future funding for SCTC Foundation
C. Charitable Remainder Unitrusts	-Real Estate -Securities -Cash	Minimum \$100,000	Same as Pooled Income Fund, plus: -Can be tailored to donor's situation -Permits deferred income if desired -Excellent for gifts of real estate	-Ensures substantial future funding for SCTC Foundation
D. Charitable Remainder Annuity Trusts	-Cash -Securities	Minimum \$100,000	-Fixed Income -Tax deduction in year gift is made -No capital gains tax on appreciated gift -May provide tax-free income	-Ensures substantial future funding for SCTC Foundation
III. Revocable Charitable Trusts	-Cash -Securities -Real Estate	Minimum \$100,000	-All or part of amount placed in trust is available if needed by donor -Removes work and worry of managing assets	-Very high percentage of revocable trusts are not revoked, thus giving promise of future funding for SCTC Foundation
IV. Charitable Lead Trusts	-Cash -Securities -Real Estate	Minimum \$100,000	-Allows property to be passed to others with little or no shrinkage due to taxes	-Provides current income for the length of the trust
V. Insurance Policies A. When the SCTC Foundation is owner and beneficiary of continuing policy		Unlimited	-Donor gets income tax deduction for value of policy when transferred -Premium payments may be deducted as gifts -Donor can make large gift in future at small cost now	-Upon death of insured, SCTC Foundation will receive face value of policy, or borrow on policy, or may cash in policy

B. Giving paid-up policies		Unlimited	-Tax deduction based on current value of policy	-SCTC Foundation may keep policy and receive face value upon death of insured; SCTC Foundation may cash in policy
C. Name SCTC Foundation as beneficiary but not as owner		Unlimited	-Enables donor to make large future gift at small cost -Donor may change beneficiary later -Donor may borrow on policy	-Upon death of insured, SCTC Foundation will receive face value of policy
VI. Bequests by Will/ Living Trusts	Assets owned at time of death	Unlimited	-Use of assets during lifetime -Life income gifts and lead trusts may be made in testamentary form -Enables significant future gift -Simplicity: designate SCTC Foundation as beneficiary in will or living trust	-Provides the largest single source of funds for SCTC Foundation
VII. Deferred Income Buildup Plans	-Qualified pension plans -IRA's -Keoughs -Commercial deferred annuities -Employee Stock Options Plan	Unlimited	-Taxwise, frequently the single best asset for testamentary charitable gift -Enables very large future gift -Allows use of assets during lifetime -Simplicity: just designate SCTC Foundation on beneficiary instrument	-Provides significant future funding for SCTC Foundation

\* Because gift management practices vary geographically and because donor needs and intentions are so highly individualized, the usual and minimum gift amounts (above) are intended as general guidelines only. Please check with your tax advisor for your specific situation. Please note: Any of the gifts instruments listed above may be used to honor a loved one. Any size gift is welcome as a memorial. The special significance of a memorial gift is that the gesture lives on for the benefit of SCTC Foundation. For more information please contact SCTC Foundation at 654-5980.