

WAYS TO GIVE – CHARITABLE ESTATE GIFTS

Canadians leave charitable estate gifts for many different reasons. For some, it is a way to ensure their memory lives on, for many it is a way to ensure that their favourite charity is able to continue its important work and for others it represents a way to ease the tax implications that come with the transfer of their estate to surviving relatives.

Such charitable gifts should comprise a special planned and carefully considered donation that balances the financial circumstances of you and your family with your charitable giving goals. There can be great comfort in knowing that you have a plan that will provide for your family in the future, as well as leaving a gift to your favourite charity.

A more tangible benefit of estate and legacy planning is the tax savings that can be realized by choosing an option most beneficial to your portfolio. Your financial planner, accountant or lawyer can assist you in determining what is best suited for your personal planning. There can be no substitute for sound advice from your legal or financial advisor. More information is available on the [Leave a Legacy website](#).

As part of your estate plan, please consider a gift to the **i2i Intergenerational Society**. There are many ways to make important and lasting contributions to _____ in Canada including the following estate and legacy planning alternatives.

A Gift In Your Will

Have you thought about including the **i2i Intergenerational Society** in your Will? Bequests in Wills remain the number one method for charities to receive major gifts. A bequest in your Will provides a wonderful opportunity for you to make a significant donation that would not have been possible during your lifetime.

Leaving a gift to the **i2i Intergenerational Society** in your Will is easy. You may designate a certain dollar amount, leave a percentage of your estate or the amount left after your other beneficiaries and estate expenses have been satisfied (referred to as a residual bequest). You can also bequeath a specific piece of property like a home, securities (for instance, stocks or mutual funds) or other financial assets. All of these items are eligible for a tax receipt that may reduce the final settlement of your estate with the Canada Revenue Agency.

Getting started is perhaps the most difficult part about making a Will. The laws relating to Wills and estates are not simple, therefore, the use of professional estate planning, tax and legal advisors in these matters is vital.

When you have collected the pertinent information relating to your assets (e.g., property, cash, investments, insurance and personal goods) visit your professional advisors. With your advisors you develop a plan to meet your legal responsibilities and

family obligations. Other family members and friends could also be included. You can then plan the disbursement of your estate to your areas of interest including favourite charities.

If a person dies without a current Will the government can dictate the disbursement of the assets and the costs to the estate may be substantial.

How to make a gift in your Will to the i2i Intergenerational Society

In order to make a gift to the **i2i Intergenerational Society**, ask a lawyer to include in the Will, one of the following statements:

“I give to the **i2i Intergenerational Society**, _____, of the City of Vernon, British Columbia, the sum of \$_____ (_____% of my estate), to be used for such purposes in connection with the work of the **i2i Intergenerational Society** as the Board of Directors may from time to time determine.”

[Flexibility in a Will can be maintained by using percentages rather than fixed amounts so that changes in finances will not force a complete revision.]

“I give to the **i2i Intergenerational Society**, _____, of the City of Vernon, British Columbia, my [specific property], to be used for such purposes in connection with the work of the **i2i Intergenerational Society** as the Board of Directors may from time to time determine.”

A Gift of Life Insurance

Your gift of life insurance will make a significant difference to the **i2i Intergenerational Society** for a relatively small commitment by you. A life insurance gift is simple, understandable and a very easy way to make a future gift to the **i2i Intergenerational Society**.

The gift of a life insurance policy provides a very generous contribution that is often larger than would be possible out of an individual's income and also provides tax relief, often in the years of maximum earnings when it is most welcome.

There are a number of ways that life insurance can be gifted to the **i2i Intergenerational Society**:

Gifting of an Existing Policy

A donor can transfer the ownership of an existing policy to the **i2i Intergenerational Society**. If the ownership is transferred, the **i2i Intergenerational Society** will take over monthly payments and the donor makes the equivalent monthly donation to the **i2i Intergenerational Society**. At the conclusion of the tax year, a tax receipt is issued for

the total annual payments.

Gifting of a New Policy

A donor may decide that the best way to donate to the **i2i Intergenerational Society** is by purchasing a new life insurance policy. An independent life insurance agent should be contacted to help the donor make the right decision. If the **i2i Intergenerational Society** is designated as the owner and beneficiary of the policy, the donor is entitled to a tax receipt for the premiums paid. The gift of a new life insurance policy enables the donor to leverage a relatively small contribution into a substantially larger one.

Designation of Beneficiary on an Existing or New Policy

You may also name the **i2i Intergenerational Society** as the beneficiary of an existing or new insurance policy, but you retain the ownership.

A Gift Of RRSPs/RRIFs

You might be surprised to learn that at the time of your death your assets that are held in your Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF) will become taxable to your estate unless you have made proper estate planning arrangements.

If there is a named beneficiary for your RRSP or RRIF, the donation may create a tax credit that reduces or eliminates your estate's tax liability.

It is easy to designate the **i2i Intergenerational Society** as beneficiary on your RRSP or RRIF. All you have to do is go to your financial institution or financial advisor and make a request to change the beneficiary on your plan. They will provide you with a form to complete the change.

A Gift Of Securities

Cash is not the only way to make a donation. Many people do not realize that they have the means to make a significant donation and that securities can be the source of a major gift.

A gift of publicly-traded securities, such as stocks, bonds or mutual funds, can easily be made to the **i2i Intergenerational Society** and is a tax effective way to support the **i2i Intergenerational Society**. Recent changes to the tax rules increase the benefits to donors for gifts of securities. As a result, when you donate appreciated securities directly to the **i2i Intergenerational Society**, you will pay no tax on the capital gain. In addition, you will receive an official tax receipt for the fair market value of your donation – a generous tax credit.

Any securities, such as stocks, bonds and GICs may be donated. They are as good as

cash and have the same, or better, tax benefits to the donor.

Although the process of donating securities is rather straightforward, please contact the **i2i Intergenerational Society** and your accountant and financial advisor before proceeding.

A Gift Of Property

Real estate, artwork or virtually any other property that can be invested or converted into cash can be passed on to the **i2i Intergenerational Society** and are eligible for income tax receipts. At the same time, you can fulfill your desire to provide a gift to the **i2i Intergenerational Society**.

Family Endowment Funds

A donor can establish an endowment fund for a family member in their lifetime or through their Will. Named endowment funds allow you to remain a donor for many years after you are gone. This can be a wonderful legacy to leave for your family name. The principal of the fund is invested in perpetuity and only the income is used to support the needs of the **i2i Intergenerational Society**.

Thank You

Leaving a charitable gift to the **i2i Intergenerational Society** is an ideal way to continue making a difference to the _____ of our community for future generations.

By hearing about your gift intentions, we may better prepare to receive your future gift - and say a heartfelt 'thank you' today. Please contact us if you wish to confirm a bequest in your Will or other charitable gift to the **i2i Intergenerational Society**.

If you have not yet made plans for a charitable gift to the **i2i Intergenerational Society**, we would be pleased to provide information about the various ways of making a gift and how a generous act of support will make a very real and permanent difference for the **i2i Intergenerational Society**.

The **i2i Intergenerational Society** is interested in assisting all donors make the best choice through effective planning and we would like to meet with the donor and their advisors to discuss any proposed charitable gift.

For further information regarding planned giving, contact:

Legal Name: i2i Intergenerational Society

Address: _____, Vernon, British Columbia _____

Charitable Registration Number: _____ RR0001

The sample Will clauses are for information purposes only and are not meant to be viewed as legal advice. The **i2i Intergenerational Society** encourages donors to seek advice from their accounting and legal counsel when making provisions for a charitable gift in their Will or otherwise. They will ensure your

gift is tailored to your personal circumstances and that you maximize any tax advantages. For more information contact Sharon MacKenzie at 250-308-7892 sharonmackenzie@gmail.com or visit us online at www.intergenerational.ca.