

# Planned Giving

Thank you for your interest in supporting the Unitarian Church of Edmonton and our many programs. For more information on our planned giving program, please call us at (780) 454-8073.

## **CHARITABLE WILL BEQUESTS**

Many people support charitable organizations by making a future gift from their estates.

A Charitable Will Bequest is a direction you make in your Will that instructs your Executor(s)/Trustee(s) to leave one or more of your assets to a charitable organization(s).

A Charitable Will Bequest is a way to direct a gift to the Unitarian Church of Edmonton while providing financial benefits and tax savings for your estate.

A Charitable Will Bequest can reduce taxes owing upon death and, at the same time, actually increase inheritances to loved ones. Everyone should have a Will, if for no other reason than peace of mind. With the help of an estate professional, you can make sure that your family and loved ones will have the resources they'll need after your passing. If you don't have a Will, you'll have no say in the distribution of your assets - it will be left completely up to the province in which you live to distribute your estate.

## **The Benefits to You**

**Tax Relief** - A charitable bequest is an effective method to reduce estate taxes.

**Tax Planning** - The Unitarian Church of Edmonton will issue a tax receipt for the full value of your bequest. This receipt will be used to reduce the tax payable on your final tax return. If your bequest exceeds 100% of your net income, the excess may be carried back to the previous tax year.

**Simple** - A bequest is easy to arrange. Simply ask your lawyer to include a bequest to the Unitarian Church of Edmonton in your Will.

**Flexible** - Your bequest can be a specific amount, a percentage of your estate or the residue of your estate - which is a gift after your debts have been paid and other bequests made.

**Control** - You retain the use of the charitable gift for the duration of your lifetime.

**Peace of Mind** - You can make changes in your Will at any time.

**Cost Effective** - There are no extra costs to add a charitable bequest to your Will at the time it is prepared.

**Convenient** - A bequest can be made no matter how old you are and can be for any amount you choose. Your bequest can be cash, GIC's, securities (stocks, bonds, mutual funds), real estate, or other tangible personal property.

**Memorialize** - Your bequest can symbolize a lasting memorial for you, your family or anyone you may wish to honour, or may be made anonymously if you wish.

**Seek Expert Advice:** The Unitarian Church of Edmonton strongly recommends that you consult your lawyer or estate planner regarding specific information and wording of any Charitable Will Bequest. All bequests to the Unitarian Church of Edmonton are added to the

Endowment Fund unless another use is noted in the bequest. Note that the creation of any new permanently restricted fund must have prior approval of the board.

## **Sample Charitable Bequest Language**

The following sample clauses may assist you. If your needs are more specific, your lawyer or estate planner should draft a clause “from scratch.” These samples should not be construed as legal advice.

Restricted or Unrestricted?

Stating that a bequest can be used only for certain purposes is legally binding on the Unitarian Church of Edmonton. This has the potential to create difficulties after your gift is received if circumstances change. While the Unitarian Church of Edmonton is grateful for all bequests, you are asked to consider the following bequest options:

1. Place no restrictions on the purpose.
2. Place no binding restrictions in the Will but let the Unitarian Church of Edmonton know of your non-binding preferences (with a letter, or an attachment to the Will).
3. If you wish to restrict the purposes, provide an “escape” clause such as the ones shown below.

Thank you. This will ensure that your intended support and benefits to the UCE will be maximized.

Specific, unrestricted:

I give, devise and bequeath to the Unitarian Church of Edmonton (Endowment Fund) the sum of \$\_\_\_\_\_ to be used for any purpose(s) consistent with its Bylaws.

Specific, restricted with escape clause:

I give, devise and bequeath to the Unitarian Church of Edmonton the sum of \$\_\_\_\_\_ to be used for the following purpose(s) \_\_\_\_\_. If, in the prudent opinion of the Board of Trustees of the UCE it should become impossible, inadvisable or impractical to use some or all of this gift for the specified purpose(s), then the Board of Trustees may, in its sole discretion, use it to the best advantage of the congregation, taking into account the specified wishes of the bequestor and UCE Bylaws.

General % unrestricted:

I give, devise and bequeath to the Unitarian Church of Edmonton (Endowment Fund) \_\_\_\_\_% of the residue of my estate to be used for any purpose(s) consistent with its Bylaws.

General %, restricted with escape clause:

I give, devise and bequeath to the Unitarian Church of Edmonton \_\_\_\_\_% of the residue of my estate to be used for the following purpose(s) \_\_\_\_\_. If, in the prudent opinion of the Board of Trustees of the UCE it should become impossible, inadvisable or impractical to use some or all of this gift for the specified purpose(s), then the Board of Trustees may, in its sole discretion, use it to the best advantage of the congregation, taking into account the specified wishes of the bequestor and UCE Bylaws.

Residual contingent trust:

Upon the death of the survivor of my (wife, husband, etc.) \_\_\_\_\_ and my (son, daughter, etc.) \_\_\_\_\_, I direct my trustee to transfer and deliver the balance of the residue of my Estate, including any undistributed income to the Unitarian Church of Edmonton.

These are sample clauses only.

Your lawyer or estate planner should always review clauses and ensure they are appropriate to your wishes.

## **GIFTS OF PUBLICLY TRADED SECURITIES & MUTUAL FUNDS**

If you own stocks or mutual funds outside of registered plans, that have grown in value, you will face a tax bill when you sell them. The 2006 Federal Budget introduced a special tax incentive on Gifts of Publicly Traded Securities and Mutual Funds – a complete elimination of capital gains tax on these types of charitable gifts.

### **The Benefits to You**

Opportunity – An opportunity to make a significant gift during your lifetime.

Tax Advantages – The charitable tax receipt effectively cancels the capital gains tax.

Reduced Expenses – The actual cost of making the gift is greatly reduced. Some brokers waive their fees for trades to not-for-profit organizations.

Simple and Convenient – Securities are easy to transfer. Your broker transfers the shares from your brokerage account directly to the Unitarian Church of Edmonton brokerage account.

Recognition – You and your gift can be honoured during your lifetime, if you so desire.

How does it work?

A donation receipt is issued for the fair market value of the security on the date of transfer. The securities must be transferred directly to the Unitarian Church of Edmonton brokerage account and not be sold by you, the donor. The gift will not qualify for the elimination of capital gains if the shares are sold, and the cash then gifted to a charity.

Seek Expert Advice: If you are thinking about transferring assets that have appreciated in value, you should seek expert advice from a tax specialist or your lawyer. The Unitarian Church of Edmonton strongly recommends professional advice to ensure that your financial goals are considered, your tax situation reviewed, and your planned gift is tailored to your circumstances.

## **OTHER TYPES OF GIFTS**

There are a number of other types of charitable gifts that can be made to the church if you are seeking to reduce the taxes on your estate. We recommend that you talk with an expert on tax planning if you are considering a donation as part of the tax planning on your estate.

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