

RETAINED LIFE ESTATE

Through a *retained life estate*, you make a gift of your personal residence to the church and then retain the right to live in your home for life. Making a gift of property while retaining a life estate provides you with a charitable income tax deduction based on the value of the property, your age, and life expectancy. You are responsible for maintenance costs, insurance and real estate taxes.

APPRECIATED SECURITIES

A gift of appreciated securities such as stocks or bonds can provide attractive benefits. An outright gift of long-term appreciated securities (securities held for more than a year) avoids capital gains taxes and, in most cases, you may claim a charitable income tax deduction equal to the market value of the securities. For gifts of appreciated securities, a gift is fully deductible up to 30% of the your adjusted gross income and, like gifts of cash, may be carried forward for five additional years.

GIFTS OF REAL ESTATE

You can make a gift of commercial or residential real estate to the church and receive substantial financial benefits. In some cases you may want to give the property outright to support the purposes of the church and qualify for a charitable income tax deduction based on the appraised value of the property. In other cases you may use real estate to fund a life income gift such as a charitable remainder trust.

The generous prosper and are satisfied; those who refresh others will themselves be refreshed.

Proverbs 11: 25

The Foundation Board of Directors

Members of the Foundation Board are:

- ◆ Pastor
- ◆ Church Treasurer
- ◆ Chairperson of Church Council
- ◆ Chairperson of Finance Committee
- ◆ Chairperson of Trustees
- ◆ Foundation Chair is nominated by Committee on Lay Leadership and elected by Charge Conference
- ◆ Five persons nominated by Committee on Lay Leadership and elected by Charge Conference.

The Board has the powers and duties authorized by The Book of Discipline of the United Methodist Church including:

- A. Receive and administer all planned gifts.
- B. Emphasize the need for a will and estate plan, and provide information on these to the congregation.
- C. Stress opportunities for giving by means of wills, annuities, trusts, life insurance, memorials and various types of property.
- D. Disseminate information helpful in pre-retirement planning, including living wills and living trusts.
- E. Other responsibilities determined by the Charge Conference.

Charitable and planned gifts involve complex federal and state laws. Professional advice from legal counsel or other personal tax or financial advisors should be sought. Be sure to consult your own professional advisors as it pertains to your own individual situation.



Charitable

Planned Giving

Opportunities:

Your Legacy

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From everyone to whom much has been given, much will be required.
Luke 12:48

These words of Jesus in the Gospel of Luke remind us of the opportunities we have to give back to God during our lifetime, and beyond.

The **Sylva First United Methodist Church Foundation, Inc. (SFUMCF)** was established to provide us, First United Methodist members and friends, various ways to give back to the church which has nurtured and uplifted us through good times, such as marriage of our children or the baptism of our grandchildren, as well as sad times of illness and death.

The **SFUMCF** Board of Directors receives and administers all bequests and other planned gifts given to the church. Gifts given for a specific purpose are used immediately or invested for later use.

A bequest from your estate could fund new or existing ministries that meet the needs of our church family and/or community services. The gift of a life insurance policy could endow a current staff position or some future position dedicated to serving children. A gift of real estate could provide scholarships for our youth to participate in ASP or Camp Patton Springs for many years to come.

SFUMCF partners with the *United Methodist Foundation of Western North Carolina, Inc.* to help you do what you wish to do for the church.

SUGGESTED PLANNED GIVING OPPORTUNITIES

Estate/Deferred Gift Options

Sylva First United Methodist has received generous bequests, both large and small over the years. All bequests have special importance. A will is essential if you wish to make a bequest to benefit the church. Whether you are making a will for the first time or revising an existing will, you should consult your attorney with a proposed form of bequest. You might want to consider the following giving options:

Specific Bequest— determining a specific amount of money or a specific asset to leave to the church;

Percentage Bequest— giving a pre-determined percentage of your estate to the church;

Residual Bequest— the church receives the remainder of the estate after other defined gifts, all taxes, and expenses have been paid out;

Contingent Bequest— if your named beneficiaries do not survive you, then the assets are, instead, given to the church.

GIFTS OF LIFE INSURANCE

You can use life insurance to make a gift to the church naming the church as the owner and beneficiary of a life insurance policy. You receive a charitable income tax deduction based on the lesser of the policy's fair market value or the net premiums paid. You may also wish to make gifts of paid-up policies, resulting in a charitable income tax deduction for the policy's cash surrender value.

LIFE INCOME GIFTS

A charitable remainder trust is a personal management plan that provides you with an income stream for life as well as a charitable income tax deduction. There are two types of charitable remainder trusts: the **annuity trust** and the **unitrust**.

The charitable remainder **annuity trust** pays a fixed dollar amount for the life of the trust. The income rate is determined at the time the trust is funded. The annuity trust is best for those who seek a regular, fixed income and prefer to have the satisfaction of knowing the exact amount of the payment in advance. No additional gifts may be added to an annuity trust. The **annuity trust** may be funded with cash, appreciated securities or real estate.

The charitable remainder **unitrust** pays the you a predetermined percentage of the fair market value of the trust's assets as revalued annually. If the trust's assets increase, you receive a larger payment, providing a hedge against inflation. Additional contributions may be made to a **unitrust**. The **unitrust** may be funded with cash, appreciated securities or real estate.

The benefits of a charitable remainder trust are:

- ◆ Lifetime income stream-payments can be fixed or variable, depending on the type of trust.
- ◆ Charitable income tax deduction for a portion of the gift
- ◆ Avoidance of capital gains taxes on the transfer of appreciated property or securities
- ◆ Possible estate tax benefits