

Place
Stamp
Here

EXECUTIVE DIRECTOR
THE EPISCOPAL FOUNDATION
OF NORTHERN CALIFORNIA
1318 27th STREET
SACRAMENTO, CA 95816

You receive an income tax deduction when the property is deeded to the church, avoid any capital gains taxes when making the transfer, and your estate taxes may be reduced at the time of your death.

4. Gifts of Appreciated Property

Securities or real estate can be an excellent means of making a gift to the church. There are no capital gains taxes charged to the donor, plus the deduction for a gift of assets is normally the fair market value, not the original purchase price.

It is important that the donor transfer the stock or real estate to the church prior to selling it. Because the church is tax exempt, it can sell the asset, and neither the church nor the donor will pay capital gains tax.

5. Gifts of Life Insurance

Life insurance is a convenient way to make a gift to the church. You can:

- Purchase a new policy and make the church both owner and beneficiary. Premiums are deductible.
- Make the church the owner and beneficiary of an existing policy. The deduction is normally equal to the cost basis in the policy plus any future premiums are deductible.
- Make the church a contingent beneficiary of an existing policy, i.e., name the church to receive the proceeds if the primary beneficiaries predecease the insured.

6. Retirement Plan Assets

An easy way to make a gift is to name the church as beneficiary of a retirement plan such as an IRA. When retirement plan assets are paid out to anyone except a surviving spouse, the distribution is subject to income taxes (and estate taxes, if applicable). The church, as a tax-exempt entity, does not have to pay these taxes.

For additional information on the ways that planned giving can assist you, your family and the church, please detach the response card and return it to the Executive Director of The Episcopal Foundation of Northern California.

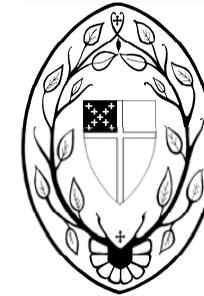
For advice in specific areas, you should consult your own advisors.

If you would like more information, please go to our website www.dncweb.org/foundation

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The Ministry of Planned Giving



GIFT PLANNING:
HELPING
YOURSELF
AND YOUR CHURCH,
TODAY AND
TOMORROW



Planned giving is a term that encompasses a variety of ways that gifts can be made to the church from your accumulated resources.

It usually involves financial or estate planning; however, planned giving is not reserved for the wealthy. It is a means by which anyone concerned with the wise use of personal resources makes a considered choice about what matters to them most.

In general, planned gifts are made through...

1. **A Bequest in a Will**
2. **A Life Income Gift**
3. **A Life Estate**
4. **Appreciated Property**
5. **Life Insurance**
6. **Retirement Plan Assets**

A planned gift enables an individual to make a larger gift than thought possible. It is a great way to provide for family members and for the church, and it can reduce income and estate taxes.

Planned gifts are either outright gifts (appreciated securities, real property, etc.) or deferred gifts (trusts, pooled income funds, life insurance, retirement plan assets or wills).

This flyer explains how planned giving can be used to benefit you, your family and your church, now and in the years to come.

1. A Bequest in a Will

Perhaps the easiest and most common way of making planned gift is through your will. Yet some 50 to 70 percent of us die without a will.

If you die without a will, the state will divide your assets among your spouse and children; appoint an administrator, which may cost the estate large fees; and appoint guardians, who may not have been your choice, for minor children. The state makes no charitable contributions.

Through a will you can appoint your own administrator; name the guardian of your children; control applicable taxes; create a family or charitable trust; and share your resources with your family, your church, and others as you choose.

A bequest can take the form of a set amount of money, a percentage of the estate, a specific asset, a trust, or state a contingent beneficiary.

Simple language for including the Diocese or your church in your will might be: "I give, devise and bequeath (state amount, asset, or percentage of estate) to (name of institution) (address of institution)."

2. Life Income Gift

Life income gifts include a Pooled Income Fund and a Charitable Remainder Trust.

A Pooled Income Fund "pools" its gift and invest the money to generate income. The donor receives the following benefits:

- An income for life. The amount of income depends on the fund's earning. The income can also flow to a designated beneficiary.
- A partial income-tax deduction, since the gift is irrevocable.
- Avoid capital gains taxes on gifts of appreciated securities.
- A reduction in estate taxes.
- At the death of the last beneficiary, the property goes to the church.

A Charitable Remainder Trust usually involves larger sums of money (\$100,000 or more) and is individually managed. Like the Pooled Income Fund, the Charitable Remainder Trust provides income for life, an income tax deduction, relief from capital gains taxes and reduction in estate taxes. Unlike a pooled income fund, a charitable remainder trust can easily accommodate a gift of real property.

3. Life Estate

Another way of making a planned gift is by deeding your home, vacation home, farm, or ranch to the church. Through a charitable life estate, you retain the right to live on the property and/or receive any income from it as long as you or your beneficiary lives.



Please send additional information about planned giving:

Name _____
 Address _____
 City _____ State _____ Zip _____
 Date of Birth _____
 (Optional)

I am interested in additional information about:

- Wills
- Life Income Gifts
- Life Estate Gifts
- Gifts of Appreciated Property
- Life Insurance
- Individual Retirement Account

Please mail this card or FAX it to the
 Executive Director
 The Episcopal Foundation of Northern California
 FAX: (916) 442-6927