

# WAYS TO GIVE DESCRIPTIONS

## **Gifts of Cash, Checks, Bank Withdrawals or Ongoing Giving:**

A gift of cash is a straightforward and easy way to support our mission and to show gratitude to caregivers. We often hear from patients that they would like to be able to express their gratitude for the care they received. You can give a gift of cash by check, credit card or bank withdrawal. We now offer the option to provide a sustaining gift.

**Gift of Stocks, Bonds, and Mutual Funds:** You may give appreciated securities such as stocks, bonds and mutual funds directly to the Foundation. When you make this type of donation, you receive an income tax charitable deduction for the fair market value of the securities as of the date the gift was made, and you avoid any capital gains tax that would have applied to the appreciated securities had they been sold during your lifetime.

**Gift of Real Estate:** There are several potential benefits for donating real estate. For example, the value of the real estate may have increased since you purchased it. That means that you may be able to take advantage of that appreciated value in the form of a charitable deduction. And when you contribute property, the capital gain on the appreciation is bypassed.

**Gift of Life Insurance:** You can designate the Foundation as a full or partial beneficiary of your life insurance policy. You may use an existing policy or purchase a new policy to facilitate this gift. When you give life insurance to the Foundation, your estate receives a charitable deduction for estate tax purposes.

## **IRA Required Minimum Distribution (RMDs):**

Designating the Foundation to receive your RMDs is an increasingly popular way to give. *Please see stories on page 2 and 3.*

**Donor Advised Funds:** This specialized account receives funds that are earmarked for charitable giving down the road, but do not immediately specify the charity. Money going into this account receives a deduction as if it were going to the charity itself. The money stays in the account and grows tax free until you grant it to the qualified charity of your choice.

**Charitable Lead Trust (CLT):** With a CLT, you transfer property (typically cash or stock) to the trust that will provide an income stream to the Foundation for a set period of time, usually between 10 to 20 years. After the term is complete, the assets remaining in the CLT are transferred to the beneficiaries that you name. The CLT is a favorable approach when you want to help the Foundation and eventually pass the assets to your beneficiaries at a reduced tax cost.

**Charitable Remainder Trust (CRT):** A CRT provides income to you and/or other beneficiaries. At the end of the CRT's term (usually at the end of the beneficiaries' lifetimes), what remains in the trust is transferred to the Foundation. The CRT provides you or your beneficiaries with an income stream while also providing a future benefit to the Foundation.

**Charitable Gift Annuity (CGA):** A CGA allows you to make a tax deductible gift today and receive a guaranteed income for your lifetime and the lifetime of another, if you choose. Your annuity payments may begin now, or be deferred to a time that you specify. The older you are, the more favorable the annuity payment. CGA donors receive significant tax benefits, including an immediate charitable tax deduction for a portion of the gift amount, and a portion of each income payment is considered a tax-free return of principal.

**Retirement Benefits:** You can make a gift of your retirement plan assets such as IRAs and 401(k) plans. Your retirement assets generate income which means that the asset is subject to income tax and possibly estate tax by your beneficiary. By making a gift to the Foundation, the tax implications can be greatly reduced. If you are 72 years of age or older, you can direct that up to \$100,000 from an IRA be distributed directly to Sauk Prairie Healthcare Foundation without recognizing any income. This is called a charitable rollover.

**Wills and Bequests:** Leave a lasting legacy. Your will is the legal document that tells your executor how you want your estate to be divided upon your passing. An easy form of charitable estate planning is naming the Foundation in your will. This is referred to as a bequest. You can specify an exact amount, a percentage of the estate or a variety of other designations. Your estate receives a charitable deduction for estate tax purposes as a result of a bequest.

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