

WILL POWER

That's what you have if you write a will! Power to use the accumulated fruits of your lifetime to provide for your loved ones as you see fit, rather than as the government determines. Power to ease the transition of your passing for those who survive you. When you include (*Charity*) in your will, you are using your will power to help strengthen programs and purposes you believe in for generations to come.

Q: Is making a will difficult?

A: Ordinarily it's quite simple. Begin by listing your assets and most important personal possessions (don't overlook any!), and the persons, institutions and causes for which you'd like to provide. Then ask your lawyer to review your intentions with you and draft the document in proper language.

Q: What if I change my mind later on?

A: A will is fully revocable while you live--you retain control and can easily make revisions should your wishes or circumstances change, either by drawing up a new will or by adding a codicil to your old one.

Q: Does a charitable bequest provide a tax benefit?

A: For most people, yes. A charitable bequest results in a charitable deduction on a donor's federal income tax return. Here's an example:

Example: A widow leaves a \$10,000 bequest to (Name of Charity) and the remainder of her estate to her children. The charitable bequest results in a tax saving of \$4,500 (assuming a combined tax credit of 45 percent). If she had left the \$10,000 to her children instead of giving it to the Foundation, taxes would have consumed \$4,500 and only \$5,500 would have passed to the children.

Q: Does a charitable bequest have to be in cash?

A: No, you may also give real estate, securities, or artworks. Because a charitable bequest is creditable up to 100 percent of income in the year of death, the tax credit will almost always exceed tax on the gain, resulting in some tax savings. Whether the bequest consists of cash or other property, any portion not usable because of the 100-percent-of-income limit can be carried back to the prior year, again subject to the 100-percent limit.

Q: What is the best way to make a bequest to (Charity)?

A: Your bequest may take any of several forms. Consider these possibilities:

A **general bequest** is for a certain dollar amount of property, usually cash: *"I give to (Name of Charity) Foundation the sum of \$100,000 to be used for its general purposes."*

A **specific bequest** directs that the Foundation is to receive a specific piece of property: *"I give. . . 500 shares of XYZ stock. . ."*

A **residual bequest** designates all or a portion of whatever remains after all debts, taxes, expenses and other bequests have been paid: *"I give. . . fifty percent (50%) of the rest, residue and remainder of my estate. . ."*

A **contingent bequest** takes effect only under certain conditions: *"In the event that my wife does not survive me, I give to (Name of Charity) Foundation the sum of . . ."*

Q: How will my bequest be used?

A: Most bequests will be for **(Charity) general purposes**, but you may also make a **restricted bequest** to be used for a particular purpose or program. Subject to **(Charity)** policies, you may specify that the principal of your bequest is to be held as **endowment**, and perhaps as a **named endowment** in your name or as a memorial to another. You may want to confer in advance with a representative of **(Charity)** to assure that your bequest complies with what that organization's policies are and that your bequest provision is properly worded.

Q: I want to remember (Charity) in my will. How do I know I'm doing it correctly?

A: Let us help you! We can assist you with help from our legal advisors to make a will and ensure that your bequest is properly worded and complies with the policies described above. At your request, a representative of **(Charity)** may be able to meet with you and, if you wish, with your lawyer to discuss our intention to the **(Charity)**.

When you complete your will and included or added a provision for **(Charity)** we'd like to know about it so we can express our thanks. With your permission, we'll list your name among the growing number of those who have provided for future gifts to **(Charity)**, where it will encourage still others to take that important step.

WILL POWER --

It's yours when you write a will and include (Name of Charity). Because you cared, your "present" will reach far into the future!

*Name of Charity
Street
City, Province, Postal Code
Telephone Number*

The purpose of this publication is to provide general information, not to render legal advice. In addition any changes in the tax structure may affect the examples listed in this information. You should consult your own lawyer or other professional advisor about the applicability to your situation.