



## Planned Giving Options

### Outright Gifts of Various Assets

Downtown Emergency Service Center (DESC) supporters may contribute not only cash and securities, but also, in some cases, real estate, commercial annuities.

Employee stock options may or may not be transferable, depending on your company's plan. Even if they are not transferable, you can arrange charitable gifts so that the tax payable upon exercise of the options will be substantially reduced.

#### *Advantages*

- Depending on the type of property and the method in which you give it, you can decrease the income tax you or your heirs will pay.
- Estate tax liability can be reduced or eliminated.

### Charitable Bequest

Through your will or living trust, you can designate DESC to receive a specific dollar amount or property, a percentage of your estate, or the residuum after other designations are fulfilled.

#### *Advantages*

- Simple and inexpensive to set up.
- Allows you to retain current assets and income while eventually making a significant contribution.
- Can be changed or amended anytime during your life.
- Qualifies for estate tax deduction.

### Life Insurance

Regardless of whether you already have a policy or are acquiring a new one, you can either assign ownership of the policy to the Downtown Emergency Service Center, or simply designate it as the beneficiary.

#### *Advantages*

- Allows you to make a sizable contribution through an asset you may no longer need.
- If the Downtown Emergency Service Center is named as policy owner and beneficiary, provides an income tax deduction for the present cash value of the policy, as well as for any future premiums you pay.
- If the Downtown Emergency Service Center is named as the beneficiary, the gift qualifies for an estate tax deduction.
- Proceeds pass directly to the Downtown Emergency Service Center outside of the probate process.

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## **Charitable Lead Trust**

Property is transferred to a trust that makes payments to DESC for a certain period of time, then either returns the principal to you or distributes it to your heirs.

### *Advantages*

- Allows you to transfer assets to your heirs at substantial gift and estate tax savings.
- Can provide income tax benefits under certain circumstances.

## **Charitable Gift Annuity**

### *Advantages*

- Frequently provides greater cash flow than investments such as certificates of deposit.
- Entitles you to a partial income tax deduction in the year the gift is made.
- A portion of the annuity payments made to one or two named income beneficiaries will be tax-free.
- If long-term appreciated property is contributed, tax on the gain is reduced.

## **Charitable Remainder Trust**

Property is transferred to a trust that makes payments to your beneficiaries for life or a specified term of up to 20 years. After the terms of the trust are fulfilled, DESC receives the trust's assets.

### *Advantages*

- Offers great flexibility in meeting individual income and estate planning needs.
- The trust pays either a fixed amount or a percentage of the trust assets as valued annually.
- Provides an income tax deduction for a portion of the value of the assets transferred.
- Funding a trust with long-term appreciated property can reduce, postpone, or even eliminate capital gains tax.

## **Charitable Lead Trust**

Property is transferred to a trust that makes payments to DESC for a certain period of time, then either returns the principal to you or distributes it to your heirs.

### *Advantages*

- Allows you to transfer assets to your heirs at substantial gift and estate tax savings.
- Can provide income tax benefits under certain circumstances.