



# FINISHING WELL

## *A Guide to Year-End Giving*

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# Agenda For Today

1. For the Church, Camp or Agency
  2. For the Individual & Family
  3. Giving Methods & Vehicles
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# FOR THE CHURCH, CAMP, OR AGENCY

## *Year-End Giving: Time to Communicate*

- Promote Year-End Giving
- Tell the Ministry Stories
- Celebrate Successes
- Highlight the Foundation's Services
- Say Thank-You in Creative Ways

# FOR THE CHURCH, CAMP, OR AGENCY

## *Year-End Giving: Time to Communicate*

### **PROMOTE YEAR-END GIVING**

- Make This Part of Your Year-Round Strategy
- Tie it to Mission, A special Project or Current Need
- Adjust Message for Economic Opportunities or Constraints

# FOR THE CHURCH, CAMP, OR AGENCY

*Year-End Giving: Time to Communicate*

## **TELL THE MINISTRY STORIES**

- Select One or Two Stories
- Use Video and Pictures – A testimony is BEST
- Keep it Short
- Focus on the IMPACT

# FOR THE CHURCH, CAMP, OR AGENCY

*Year-End Giving: Time to Communicate*

## **CELEBRATE SUCCESSES**

- Highlight the Year
- New Programs, New Members Etc.
- Lift-up Work of Committees and Ministries Teams
- Focus on the IMPACT

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# FOR THE CHURCH, CAMP, OR AGENCY

*Year-End Giving: Time to Communicate*

## **HIGHLIGHT THE FOUNDATION'S SERVICES**

- Gift Planning Services
  - Wills Workshops
  - Donor Advised & Endowed Funds
  - Charitable IRA Rollover
  - Gift Annuities
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# FOR THE CHURCH, CAMP, OR AGENCY

## *Year-End Giving: Time to Communicate*


### **SAY THANK-YOU IN CREATIVE WAYS**

- Notes on Giving Statements
- Acknowledge Legacy Gifts – Past & Present
- Invite People to Share Their Generosity Story
- Affirmation Notes
- Liturgical Calendar: Advent, Epiphany, Lent, Etc.



# FOR THE INDIVIDUAL OR FAMILY

## *Year-End Giving: Review, Plan, Act*

- Review Philanthropic Goals and Giving
  - Financial Plan Check-Up
  - Evaluate Tax Situation
  - What is My Legacy?
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# FOR THE INDIVIDUAL OR FAMILY

## *Year-End Giving: Review, Plan, Act*

### **REVIEW PHILANTHROPIC GOALS AND GIVING**


- Write a Personal / Family Mission Statement
- Evaluate the Charities You Supported This Year
- Are There New Charities to Support or Remove?
- Are You on Target to Meet your Giving Goals?
- What has God Placed on Your Heart?



# FOR THE INDIVIDUAL OR FAMILY

## *Year-End Giving: Review, Plan, Act*

### **FINANCIAL PLAN CHECK-UP**


- How Does Your Charitable Giving Enhance Your Financial Plan?
  - Meet With Advisors
  - Is it time to Update Estate & Healthcare Plans?
- 



# FOR THE INDIVIDUAL OR FAMILY

## *Year-End Giving: Review, Plan, Act*

### **EVALUATE TAX SITUATION**


- Work With Tax Advisor
  - Rebalance Strategy: Sell losses, Give Gains
  - Bundle Charitable Gifts to Receive Charitable Gift Deductions
- 



# FOR THE INDIVIDUAL OR FAMILY


## *Year-End Giving: Review, Plan, Act*

### **WHAT IS MY LEGACY**

- How Will My Estate Plan Reflect My Faith?
  - How Can I Maximize My Gifts to Family and the Organizations that Bring Meaning and Purpose to My Life.
  - Expressing Gratitude For Life's Blessings
- 



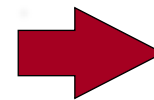
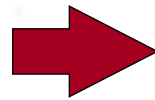
# Methods and Vehicles for Giving

- Charitable IRA Rollover
  - Gifting Appreciated Securities
  - Donor Funds
  - Split Interest Gifts
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# IRA CHARITABLE ROLLOVER



For those over the age of 70-1/2 the Charitable IRA Rollover is a great option. You can gift up to \$100,000 per year from IRA!



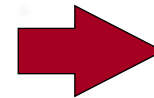
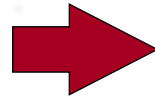
Bank sends the IRA distribution directly to your church.

Church receives IRA Gift – TAX-FREE!

# IRA CHARITABLE ROLLOVER



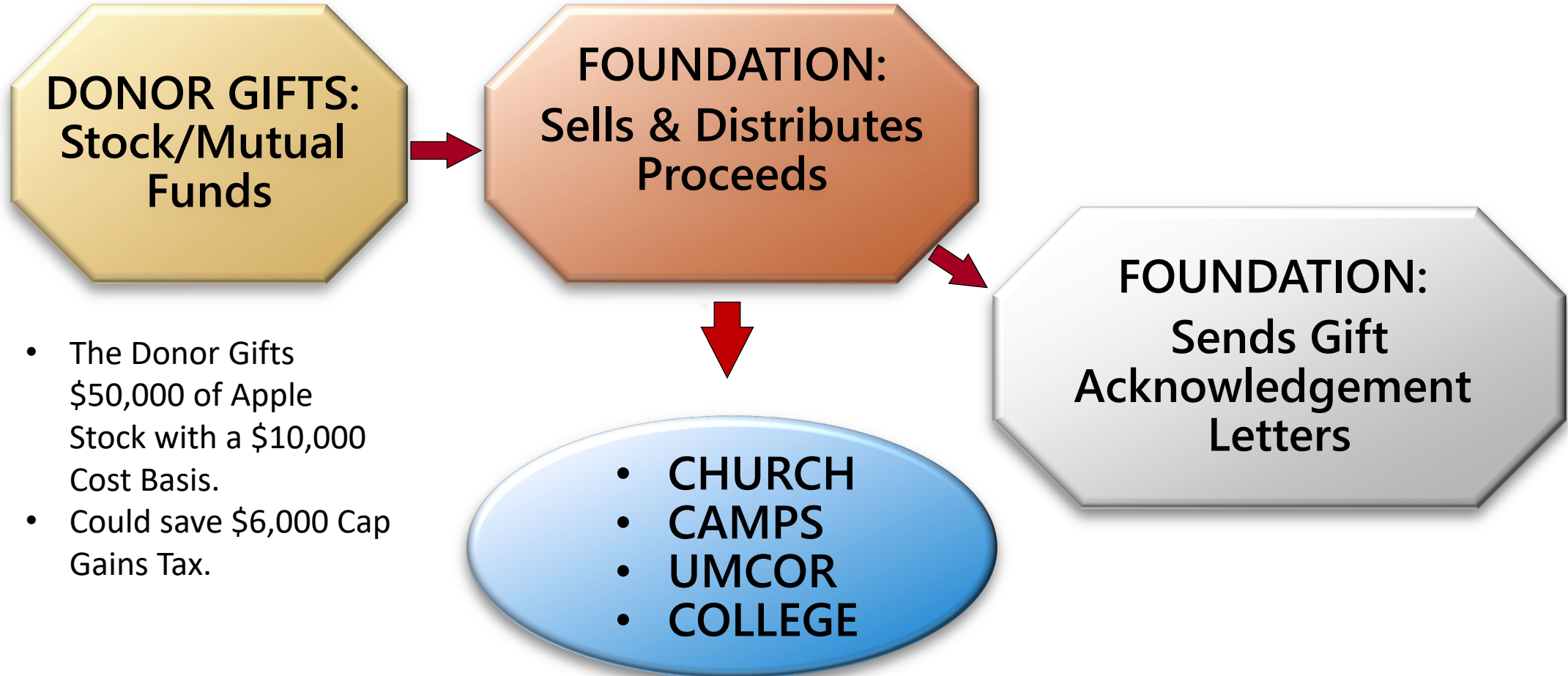
- Bill has a \$800,000 IRA
- He is 74 years old
- His RMD is \$33,130.45
- Bill & Ruth plan to give \$5,000 to church



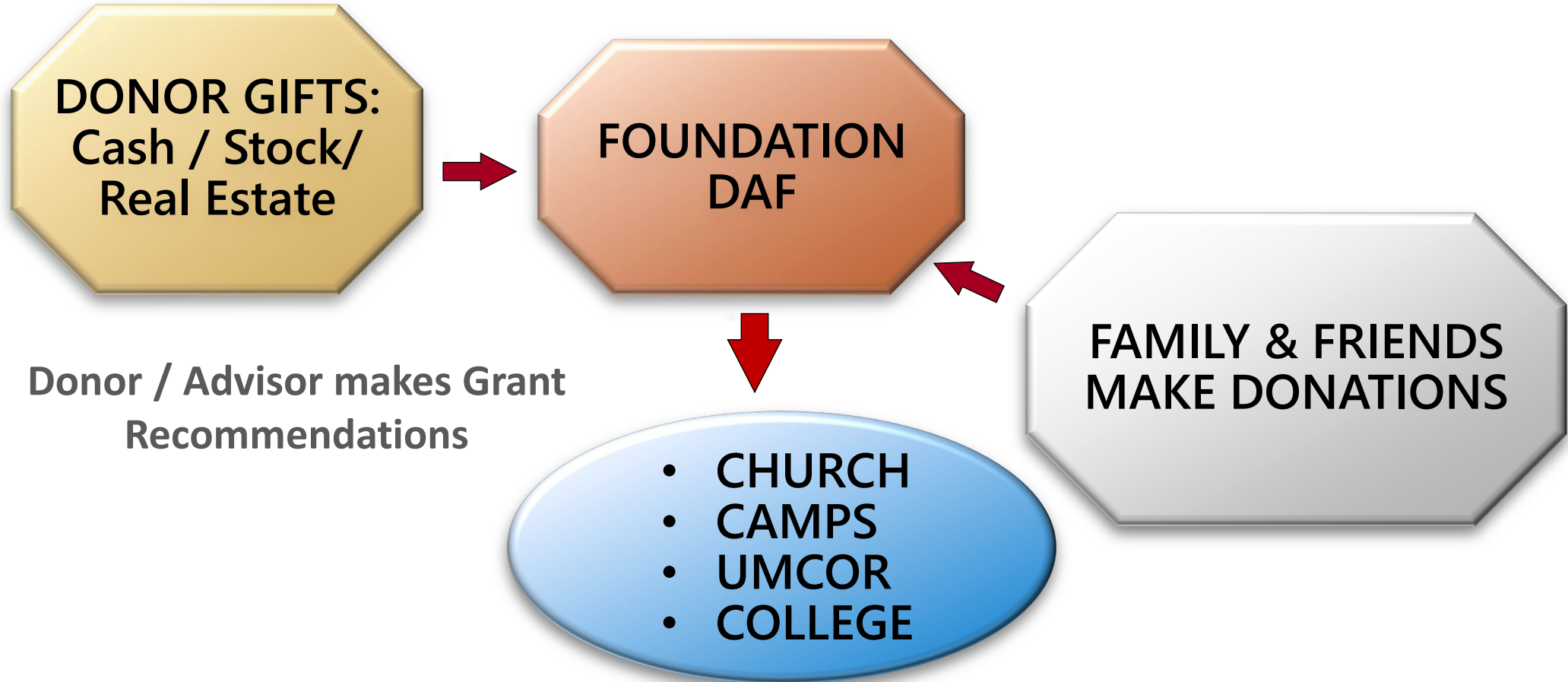
- Bank sends IRA distribution of \$5000 directly to church
- Taxable Income is reduced by \$5,000.

- Church receives \$5,000 IRA Gift – TAX-FREE!
- Bill and Ruth save \$1,100 in Taxes!

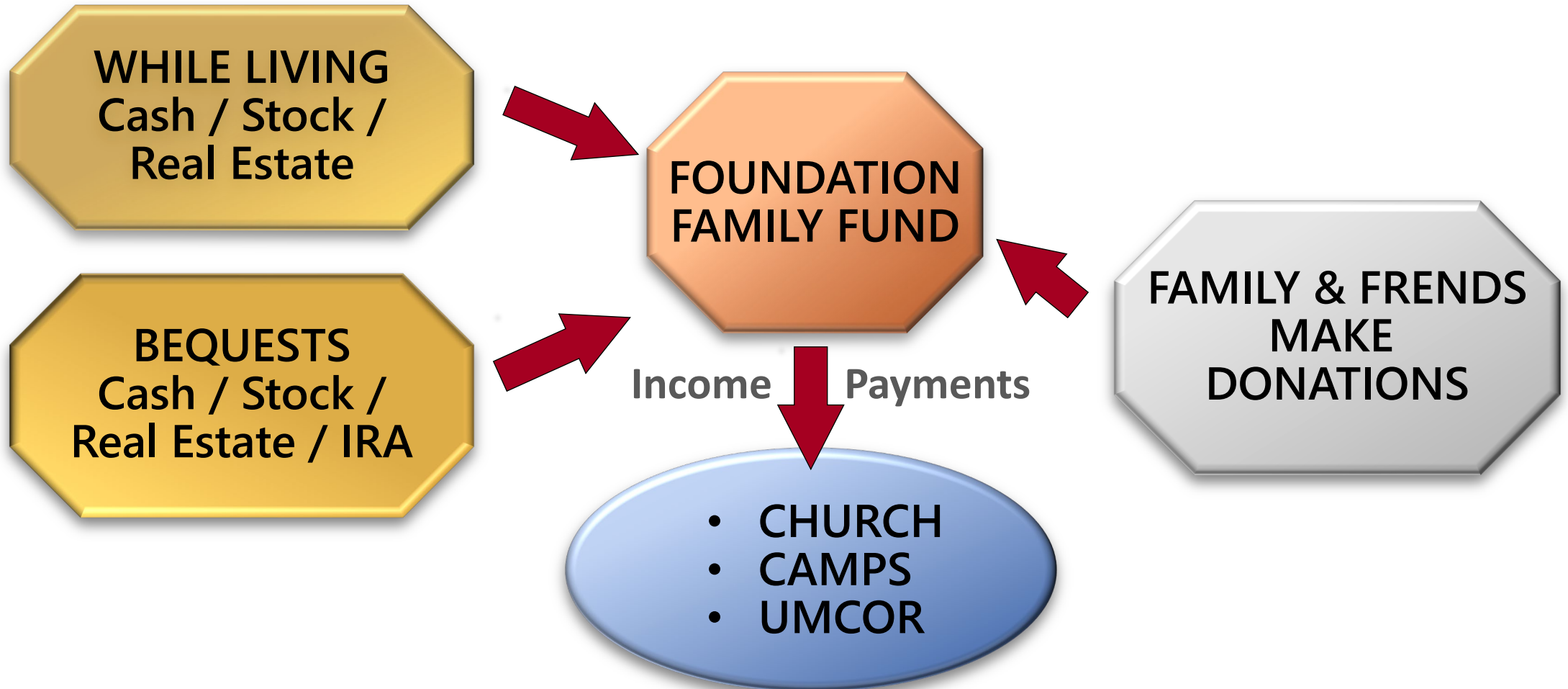
# GIFTING APPRECIATED SECURITIES



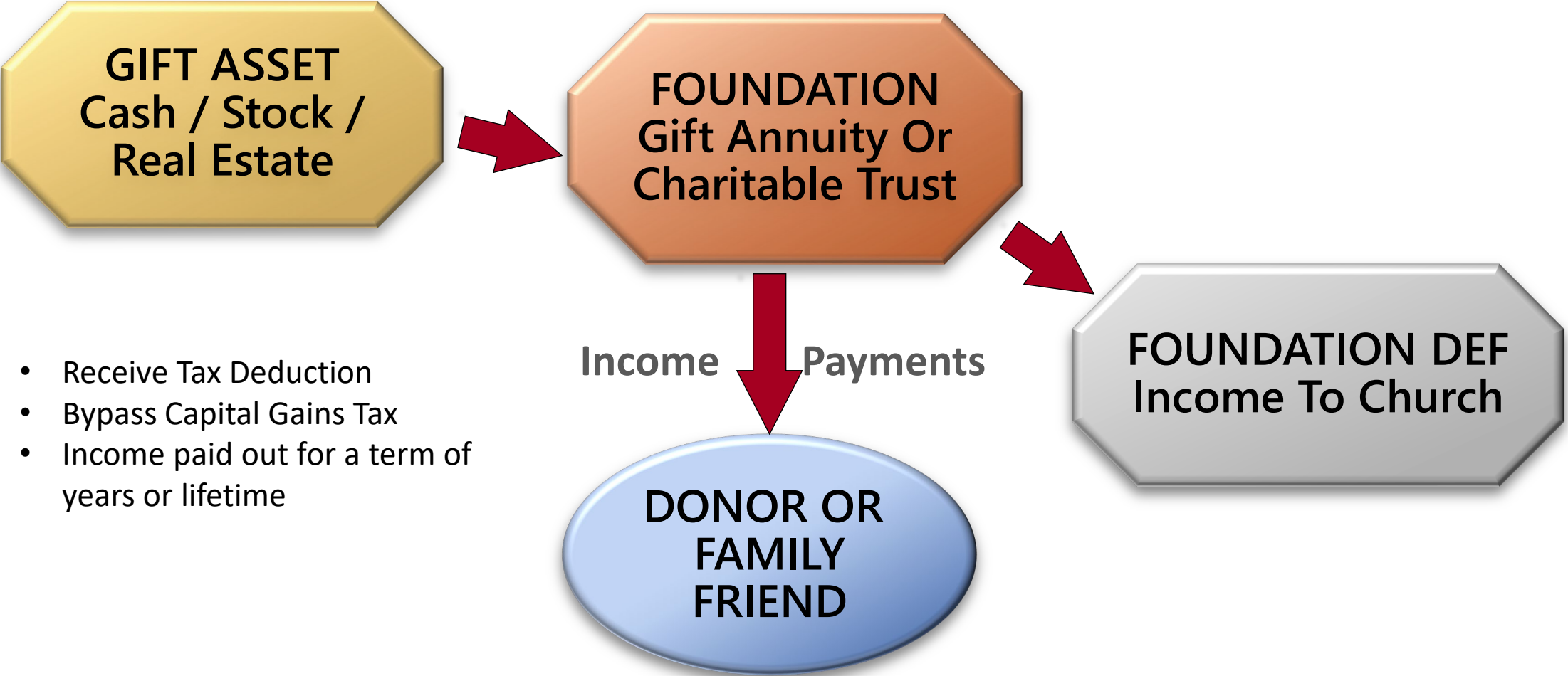
# THE DONOR ADVISED FUND - DAF



# THE DONOR ENDOWMENT FUND - DEF



# SPLIT THE GIFT : Income & Principal



- Receive Tax Deduction
- Bypass Capital Gains Tax
- Income paid out for a term of years or lifetime



# CHARITABLE GIFT ANNUITY

# THE CHALLENGE



CD's are maturing

You want more income

Interest rates are low

*What can you do?*

# THE SOLUTION



Higher  
rates –  
Senior  
ages

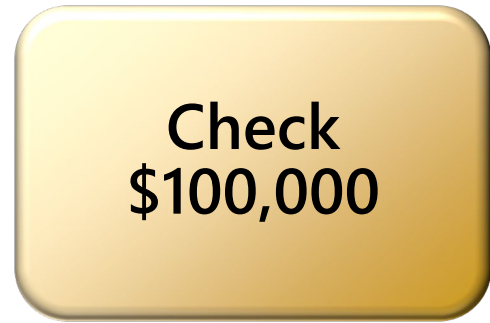
Fixed  
payments  
for life

Income  
tax  
deduction

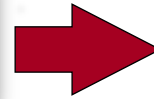
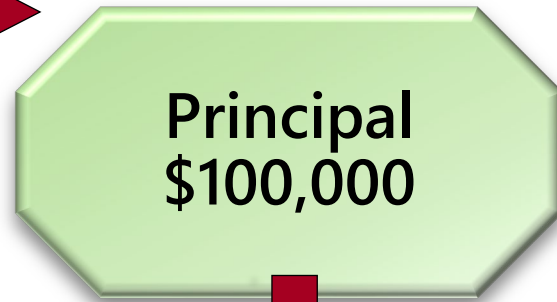
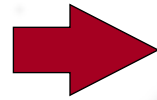
Consider a Gift Annuity

# 7.0% GIFT ANNUITY

One Life Age 80



Fixed payments  
Income tax deduction



Remainder to her Donor  
Endowment Fund at  
Foundation

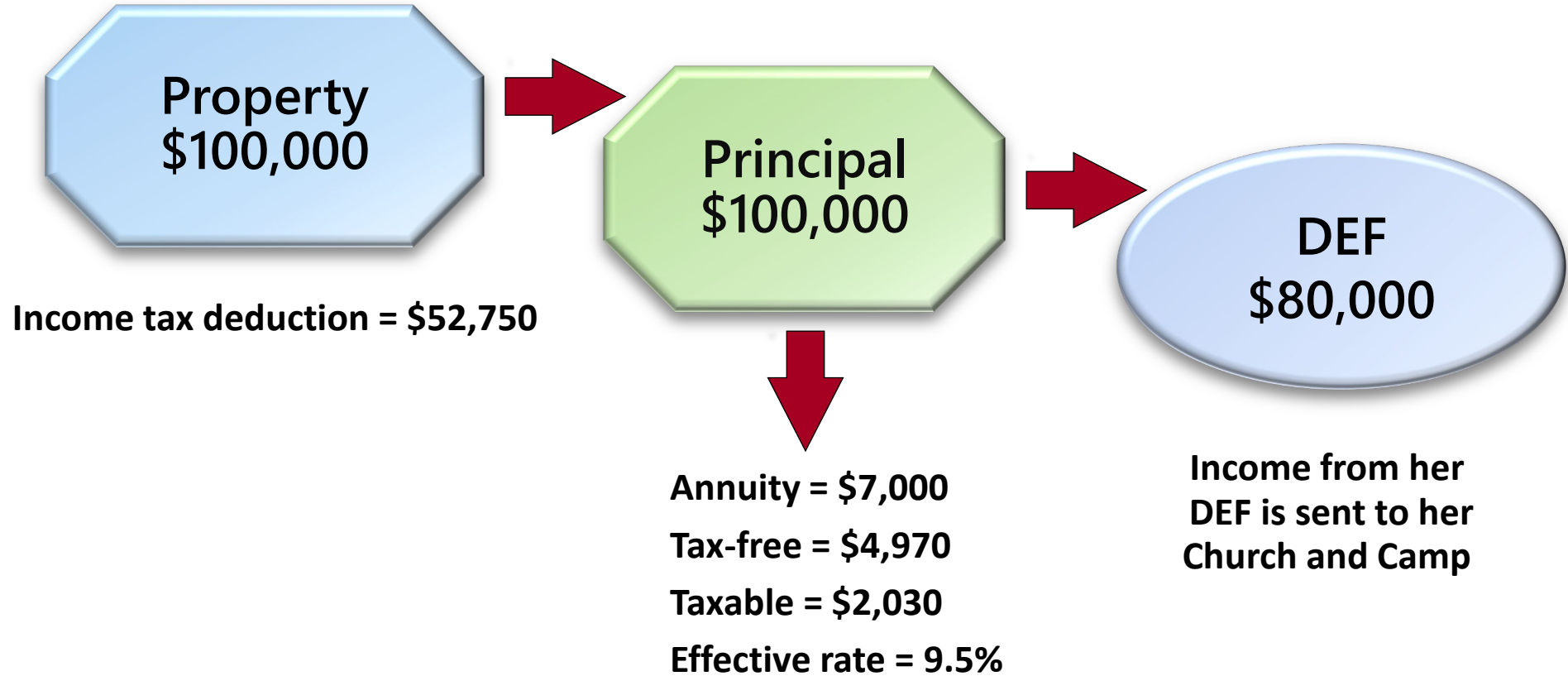


Receive  
Guaranteed  
Annual Income

# 7.0% GIFT ANNUITY

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One Life



# 7.0% GIFT ANNUITY

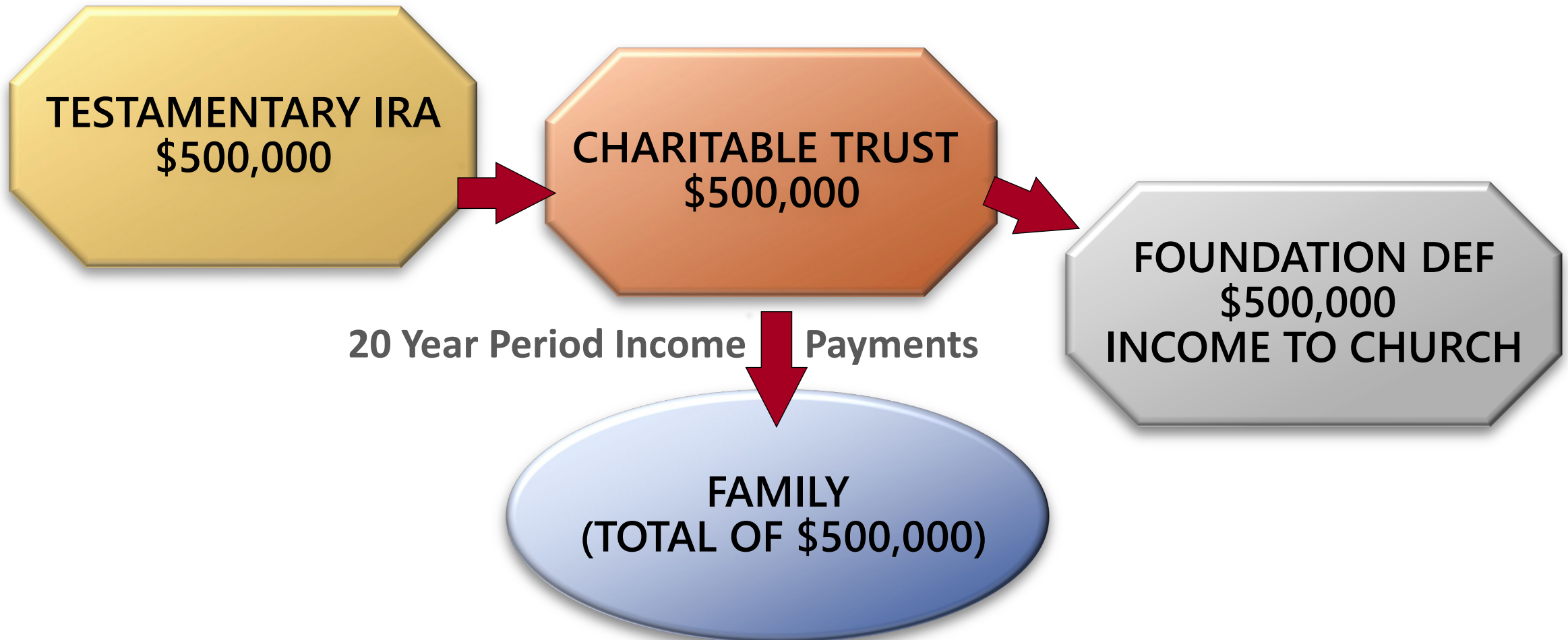


Tax-free  
Payout =  
\$4,970

Annuity  
Payout =  
\$7,000

Income  
tax  
deduction  
= \$52,750

# THE IRA "GIVE IT TWICE" TRUST



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# YEAR-END GIFT PLANNING IDEAS

- Use the Foundation
  - IRA Charitable Rollover
  - Bundle Charitable Contributions
  - Gift Appreciated Assets
  - Donor Advised Fund (DAF)
  - Foundation Donor Endowment Fund (DEF)
  - Life-Income Gift Plans
-

# GLOSSARY

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- **CHARITABLE IRA ROLLOVER:**

The law uses the term “qualified charitable distribution” to describe an IRA charitable rollover. A qualified charitable distribution is money that individuals who are 70½ or older may direct from their traditional IRA to eligible charitable organizations. The provision has a cap of \$100,000 for charitable distributions from individual IRAs each year. Individuals may exclude the amount distributed directly to an eligible charity from their gross income.

- **DONOR ADVISED FUND (DAF):**

A DAF is like a charitable investment account, for the sole purpose of supporting charitable organizations you care about. When you contribute cash, securities or other assets to a DAF or a public charity, like the United Methodist Foundation of New England, you are generally eligible to take an immediate tax deduction. Then those funds can be invested for tax-free growth and you can recommend grants to an IRS-qualified public charity.

- **DONOR ENDOWMENT FUND (DEF):**

The DEF is a charitable investment account established and held at the Foundation. The donor designates charitable organizations: churches and/or related agencies of the United Methodist Church as income beneficiaries. When you contribute cash, securities or other assets to your DEF at the Foundation you are eligible, depending on your tax situation, to take a tax deduction. Those funds are invested for tax-free growth and you can name any church or related agency of the United Methodist Church as the income beneficiary, including contingent beneficiaries. You can determine when the income payments to the beneficiaries begin.

- **CHARITABLE REMAINDER TRUST (CRT):**

A CRT is a “split interest” giving vehicle that allows you to make contributions to the trust and be eligible for a partial tax deduction, based on the CRT’s assets that will pass to charitable beneficiaries. You can name yourself or someone else to receive an income stream for a term of years (no more than 20) or for the life of one or more non-charitable beneficiaries. You can then name one or more charities to receive the remainder of the donated assets.