

# Leave a Lasting Legacy with Planned Giving

Create an enduring legacy and ensure that Family Promise of Sussex County will be around to support homeless and at-risk individuals and families in need for years to come.

## Why give?

Support a cause that's important to you now and even after your death

Create a legacy for yourself and your family

Tax breaks for you and your heirs

Have a say in how your donation is used by the agency

Certain types of gifts, such as the Charitable Gift Annuity, may provide you income in the long term

## What to give?

### Charitable Bequest

Anybody can name FPSC as a beneficiary in your will, trust or estate plan.

### Charitable Remainder Trust

Transfer cash or property to fund a trust that will make payments to the agency for a set period of time or lifetime. What remains after the duration of the trust will pass to FPSC.

### Charitable Lead Trust

Similar to a remainder trust, but the remainder passes to noncharitable beneficiaries.

### Retirement Fund

FPSC can be named as a full or partial beneficiary for 401K or IRA accounts.

### Life Insurance

Anyone can name FPSC a full or partial beneficiary in their life insurance policy.

### Retained Life Estates

When a person gives FPSC property that they still own and can use, but ownership transfers to the agency after their death.

### Charitable Gift Annuity

A donor gives FPSC a large gift and we pay the donor a predetermined annual income until the end of the pay period. FPSC retains the remaining funds.

## Other Types of Donations

♥ Stocks and Bonds

♥ Property or Vehicles

♥ Memorial or Tribute Donations

♥ Matching Gifts

\*Check with your employer!

♥ Qualified Charitable Distribution or Donor Advised Funds

The information contained in this document is for informational purposes only. Please consult with a qualified tax professional or investment advisor regarding your specific circumstances before taking any action.

# Reduce Your Tax Burden With a QCD

## What is a QCD?

A **Qualified Charitable Distribution** is a distribution from an IRA (individual retirement account) donated directly to a charitable organization.

## What are the requirements?

- Must be at least 70 1/2
- Limited to \$108,000 a year in donations
- Transfer must be directly from IRA to charitable organization
- Most IRAs are eligible: traditional, rollover, inherited, and inactive SEP and SIMPLE plans

## Why should I donate via a Qualified Charitable Distribution?

- A QCD counts toward your required minimum distribution (RMD), so you won't be taxed on the part of your RMD that you donate.
- Lowers your taxable income and therefore your tax burden.
- No need to itemize your tax return to receive the tax benefits from charitable donations.
- Support causes that matter to you.



## How is this different from a Donor Advised Funds?

DAFs or **Donor Advised Funds** are charitable investment accounts in which individuals contribute assets like cash and stocks, and can then recommend donations to charities, like Family Promise of Sussex County. Things to know about DAFs:

- You receive an immediate tax break when you contribute assets.
- You can immediately donate the funds or invest them and allow them to grow, though the sponsoring organization that holds your account may have minimum donation requirements
- DAFs allow you to consolidate all your giving
- DAFs are often used as a way to involve the whole family in philanthropy.

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