

Comparing Planned Giving Options



Protecting your charitable intentions



The Arizona Community Foundation offers a variety of planned giving options for you to consider.

For more information, contact a member of ACF's planned giving team at 602.381.1400 or visit www.azfoundation.org/plannedgiving.

Type of Gift	Form of Gift	Size of Gift	Considerations for Donors
Revocable Gifts			
Bequests by Will/Trust	<ul style="list-style-type: none"> Cash Securities Real Estate 	Unlimited	<ul style="list-style-type: none"> Allows for use of assets during lifetime Enables future planning of a significant gift Able to designate ACF as beneficiary of specific asset, percentage of estate, or residue
Pension and Retirement Plans	<ul style="list-style-type: none"> IRAs, Keoghs Qualified pension plans Commercial annuities 	Unlimited	<ul style="list-style-type: none"> Often the most advantageous charitable gift from a tax planning perspective Allows for use of assets during lifetime Contributions may be made using a simple beneficiary form
Life Insurance	<ul style="list-style-type: none"> Beneficiary Designation 	Unlimited	<ul style="list-style-type: none"> Allows for use of term, whole, or universal life insurance Allows individuals and ACF to be designated as beneficiaries for specific dollar amount or percentage May be able to borrow against some types of policies
Other Gifts	<ul style="list-style-type: none"> Beneficiary Designation (a.k.a., Pay on Death, Transfer on Death, beneficiary deed) 	Unlimited	<ul style="list-style-type: none"> Simple and cost effective Available for many account assets (checking, savings, investment, etc.) Could be beneficiary deed for real estate
Irrevocable Gifts			
Traditional IRA	<ul style="list-style-type: none"> Qualified Charitable Distribution (QCD) (formerly IRA Charitable Rollover) 	\$100K maximum annually	<p>If required to take annual minimum distribution at age 70.5:</p> <ul style="list-style-type: none"> Not liable for income tax on distribution Allows extra income to be directed toward charitable causes Simple process with IRA custodian Not QCD if put in Donor Advised Fund, Private Foundation, Supporting Organization, or life income vehicle
Home, Farm or Second Residence	<ul style="list-style-type: none"> Remainder Interest via Beneficiary Deed 	\$100K minimum (if located in Arizona); \$500K minimum (if located outside Arizona)	<ul style="list-style-type: none"> Eligible for income tax deduction* Removes property from the estate Able to continue living in or using the residence Retains responsibility for maintaining, insuring, and paying taxes on the residence

* Deduction may be taken in the year the gift is made and up to 5 additional years.

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A variety of planned giving options from the Arizona Community Foundation

Type of Gift	Form of Gift	Size of Gift	Considerations for Donors
Irrevocable Gifts (continued)			
Charitable Lead Trusts	<ul style="list-style-type: none"> ▶ Cash ▶ Securities ▶ Real Estate ▶ Closely-held business interests 	Many variations, please inquire for details	<ul style="list-style-type: none"> ▶ Annual gifts to charity during term of trust ▶ Trust term could be for the life of the donor, term of years, or the lesser of a life or term of years ▶ Assets can grow during term of trust to be passed to heirs or returned to the donor ▶ May offer income and/or estate tax benefits ▶ Gifts to Donor Advised Funds offer flexibility ▶ Several types are available
Life Insurance	<ul style="list-style-type: none"> ▶ ACF as owner AND beneficiary of either an in-force policy with cash value or a new policy 	\$5,000 minimum	<ul style="list-style-type: none"> ▶ Eligible for income tax deduction for value of policy when given or transferred* ▶ If not single premium, annual gifts to ACF are tax-deductible, allowing ACF to pay premium ▶ Able to make a large future gift for minimal cost today
<i>Life Income Gifts (Irrevocable)</i>			
Charitable Gift Annuities	<ul style="list-style-type: none"> ▶ Cash ▶ Appreciated Securities ▶ Life Insurance paid-up policies 	\$25,000 minimum/ inquire for maximum	<ul style="list-style-type: none"> ▶ No set-up costs; easy to establish ▶ Fixed payments for one or two individuals ▶ Payments guaranteed by ACF ▶ Eligible for income tax deduction* ▶ Part of income is tax-free ▶ Start date may be deferred ▶ Cannot be added to, but easy to set up additional annuities
Charitable Remainder Unitrusts	<ul style="list-style-type: none"> ▶ Cash ▶ Securities ▶ Real Estate ▶ Closely-held business interests 	\$300,000 recommended minimum	<ul style="list-style-type: none"> ▶ Donor selects payout percentage when trust is formed ▶ Additional gifts may be made to the trust ▶ Able to provide income for one or more non-charitable beneficiaries ▶ Trust term could be for the life of the donor, term of years, or the lesser of a life or term of years ▶ Eligible for income tax deduction* ▶ Gifts of appreciated property are exempt from capital gains tax
Charitable Remainder Annuity Trusts	<ul style="list-style-type: none"> ▶ Cash ▶ Securities 	\$300,000 recommended minimum	<ul style="list-style-type: none"> ▶ Donor selects fixed payment when trust is formed ▶ Additional gifts cannot be made to the trust ▶ Able to provide income for one or more non-charitable beneficiaries ▶ Trust term could be for the life of the donor, term of years, or the lesser of a life or term of years ▶ Eligible for income tax deduction* ▶ Gifts of appreciated property are exempt from capital gains tax

* Deduction may be taken in the year the gift is made and up to 5 additional years.