



THE GREATER  
CINCINNATI  
FOUNDATION



## A Legacy of Giving

### FUTURE GIFTS

You can support the community you care about in many ways, and providing a future charitable gift can be a significant one. Creating a future gift plan allows you to maintain your personal charitable interests forever.

Future gifts (also known as deferred or planned giving) can take many forms and range from simple to complex. Whether your gift comes from your will, retirement plan assets, life insurance, or other source, The Greater Cincinnati Foundation (GCF) will help establish a special fund that benefits the community and becomes your personal legacy of giving.

#### **Endowing your fund**

By definition, an endowment is a gift deposited into a fund where the original amount – called the principal – remains forever. Income earned from the fund's investments provides the means to support your charitable interests.

An endowment can be an effective vehicle for your future gift. While the principal stays intact in perpetuity, the earnings from investments generate present and future income, helping to do good work forever – and for your gift to live on permanently.

#### **Bequest by will**

Making a bequest to GCF through your will is an easy way to make a charitable gift. You can make a bequest at any age by adding a codicil to an existing will or drafting a new one. This allows you to leave a legacy while maintaining the assets you need for your current lifestyle. In addition, you may generate a tax savings.



You can give cash, appreciated stocks, or other assets. You can choose to give a stated dollar amount, a specific property, a percentage of your estate, the remainder after distributions to other beneficiaries, or you can make your gift contingent on certain events.

We can help guide you through the process.

1. Include GCF in your will; see back page for sample language.
2. Determine the type of fund you would like to establish.
3. Upon your death, we will set up your fund and handle all administrative details.
4. Your charitable gift is excluded from your assets for estate tax purposes.
5. Our professional staff will recommend community grants consistent with your charitable wishes; our board will issue grants in the name of your fund.

Please note that GCF does not provide tax, legal or other professional advice. Wills, trust agreements, and all other estate planning documents should be drafted by an independent attorney. GCF staff will be glad to assist attorneys when including a bequest to GCF in a legal document.

## RETIREMENT PLAN ASSETS

Though millions of Americans contribute to retirement plans, those savings may trigger substantial taxes upon an individual's death. If the estate tax is reinstated after 2010, a combination of income and estate taxes can consume up to 75 percent of pension, IRA or other retirement savings.

With careful estate planning and charitable techniques available through GCF, you can take some control of your financial and charitable legacy.

Potential solutions for you include:

- ☰ Naming GCF as the beneficiary of your retirement plan. Upon your death, your unused benefits will be distributed to GCF, tax free. If you have children or other heirs, you may choose to leave them other assets that are not taxed so heavily, such as your home, stocks and bonds.
- ☰ Establishing a charitable remainder trust as a beneficiary of your retirement plan, turning retirement savings into a lifetime source of income for your spouse or children before giving it to GCF. This can yield significant tax savings.

By designating retirement plan assets to charity, you accomplish two objectives: creating a charitable legacy that stays in your community and reducing the amount of your estate that could be lost to taxes.

Your endowed fund will last forever, making annual grants to charity according to your wishes and in your name.

## LIFE INSURANCE

Life insurance provides a simple way to give a significant gift to charity with income tax benefits that you can enjoy during your lifetime. Name a GCF fund as owner and beneficiary when life insurance is no longer needed for personal family wealth replacement and you may generate a tax savings. And, if you choose to continue paying premiums through GCF, you will be entitled to a charitable contribution deduction.

A gift of life insurance creates several options for managing your contribution. For example, you can replace the dollar value of an asset transferred to GCF with a life insurance policy. Or you can use regular payments from a charitable gift annuity or charitable remainder trust to establish an irrevocable life insurance trust. The trust can purchase insurance on your life to benefit your heirs. This way, you can make a gift to GCF and replace the value of this gift within your estate with life insurance proceeds.

GCF will work with you and your advisor throughout the process:

1. You make GCF the owner and irrevocable beneficiary of your life insurance policy. You can either give a paid-up policy or continue to pay premiums.
2. You receive a tax deduction for the approximate cost or fair market value, whichever is less. If the policy is paid up, you may receive an immediate tax deduction. If not, you can claim continuing tax deductions on premium payments you make directly or through gifts to GCF.
3. Upon your death, we set up your fund and handle all administrative details.
4. Our professional staff can recommend community grants consistent with your charitable wishes; our board issues grants in the name of your fund.



To strategically manage gifts of life insurance, GCF's experienced staff can work with you to find the best alternative for you and your charitable interests.

## ADDITIONAL FUTURE GIFT OPTIONS

Future gifts can be established through other financial formats and structures as well. GCF has extensive experience with additional options that may be useful to you, including:

**Charitable gift annuity:** through a gift of cash or appreciated stocks, GCF sets up a contract that combines immediate annuity payments with a deferred charitable gift. You receive a fixed stream of income as well as an immediate income tax benefit.

**Charitable lead trust:** you establish an irrevocable charitable trust that pays GCF an annual amount to build a charitable fund. When the trust terminates, the remaining assets are transferred to you or your heirs, often with significant gift tax savings.

**Charitable remainder trust:** you transfer cash, appreciated stocks, or other assets into a trust and receive an immediate tax benefit. You receive income for the rest of your life, knowing that whatever remains will benefit your community.

GCF's staff can review the details of these options, work with your professional advisor, and help you determine the most appropriate solution for you.

## YOUR PARTNER IN CHARITABLE GIVING

GCF serves as your partner in planning for future gifts. For nearly 50 years, we have been helping people achieve their charitable goals, supporting nonprofit organizations, and creating lasting good work in the region. We provide a simple, powerful, and highly personal approach to giving as well as a variety of giving tools.



### A PERSONAL LEGACY

Richard and Lucile Durrell were educators and geologists devoted to nature conservation and education. They had a clear vision of what they wanted their charitable legacy to accomplish. The major beneficiaries their estate include the Cincinnati Museum of Natural History for the Edge of Appalachia Preserve System, Cincinnati Nature Center, and both the

Ohio and Kentucky chapters of The Nature Conservancy. Through GCF's framework, the Durrells were able to leave an extraordinary legacy focused on their passions of nature conservation and education.



### A PASSION FOR YOUTH

Maggie Moore, who passed away at age 97, will always be remembered by the young people at her church. Maggie established the Moore-Ellis Family Scholarship Foundation of GCF to help young people at the Allen Temple AME Church.

Maggie, an employee of the Environmental Protection Agency for

30 years, set up a scholarship fund because it fit into her belief that, "If the world has been good to you, it's good to give something back."

### Sample language for bequest by will to GCF

*"I give and bequeath to The Greater Cincinnati Foundation, an Ohio nonprofit corporation (the sum of money, percentage of estate, or description of gift). I request that (name of authorized investment manager) be named Investment Advisor to hold and administer the Fund in accordance with the Articles of Incorporation and Code of Regulations creating The Greater Cincinnati Foundation, as now or hereafter amended."*

*For more information, ideas, and details about options for charitable giving, ask your professional advisor or contact GCF:*

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Web site: [www.gcfdn.org](http://www.gcfdn.org)



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