

LEAVE A LEGACY WITH A GIFT TO CHARITY

Leaving a legacy for charity is not just for the rich and famous. Yes, we tend to visualize wealthy philanthropists and celebrities when we think of charitable legacies. But in reality most of us, not just the rich and famous, want to ...and can... make a difference in the world. Statistically, more than 80% of Americans make charitable gifts in their lifetime. Yet only 6% leave a legacy. Is it because we don't think we can, or don't know how to make a meaningful gift?

I worked with a client recently who shared that she was thrilled with the progress that had been made in medical research. When I asked if she was including a gift to this research in her will she said, "Can I?" Her legacy, like so many people's, was encouraged by this simple answer, "Yes, you can."

In fact, there is a myriad of ways to leave a legacy, ranging from the very simple to more elaborate plans. The easiest is to name one or more charities in your will or trust to receive a bequest when you pass away. This bequest can be cash, stocks, specific assets, or a percentage of your total estate. Once you have remembered your heirs, it is a simple matter to leave a gift to one or more charities that have meant something to you and your family.

An often overlooked but very effective way to leave a charitable gift is to name a charity as the beneficiary of an IRA or retirement plan. Unlike individual beneficiaries, when a qualified charity receives funds from a tax deferred account, there is no income tax liability. The charity benefits from the entire gift. Your gift gets the maximum bang for the buck!

Along the same lines, if you have a life insurance policy that you no longer need why not name your favorite charity as the beneficiary?

If you wish to combine the benefits of a bequest with a protected inheritance for your loved one(s), a charitable remainder trust may be the answer. This trust provides an income stream to your choice of designated beneficiary or beneficiaries for a certain number of years, after which the assets remaining in the trust pass to the charity or charities you have selected. A similar but reverse concept is the charitable lead trust. Here, the charity receives an income stream for a set number of years, then the balance in the trust is distributed to the beneficiaries you have named in the trust document.

Charitable gift annuities are an attractive option for some people. These pay income for life, and provide a charitable gift after the death of the donor.

In these and other ways, people from all walks of life can leave a charitable legacy that extends their philanthropy beyond their lifetimes, and supports causes that have touched their lives. In Broward County, we are fortunate to have Leave A Legacy®, a public awareness campaign to help residents learn more about charitable giving through their estates. You are encouraged to learn more by visiting: leavealegacybroward.org.

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