

**DONOR BENEFITS IN
CHARITABLE GIFT PLANNING
AND SIMPLER PLANNED GIFTS**

Or

**Why So Many People Are Considering Planned Gifts
to Further Estate and Financial Planning Goals**

Pamela Jones Davidson, J.D.
Davidson Gift Design
Thompson & Associates

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**DONOR BENEFITS
IN CHARITABLE GIFT PLANNING**

- Personal satisfaction, the joy and pleasure of becoming a philanthropist for the donor's favored charities, leaving a legacy
- **AND, also:**

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- **INCOME TAX SAVINGS**
 - Reduced income tax
 - The avoidance of additional tax on long-term capital gains
 - Reduce or avoid income tax owed by the survivor beneficiary of qualified retirement plans
 - Income tax deduction with retained life estate, or term of years, of personal residence, vacation home or farm

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- **GIFT AND ESTATE TAX SAVINGS**
 - Lifetime charitable lead trust
 - Through lifetime charitable gifts and testamentary provisions
 - Significant estate tax savings from charitable income plans where donor and spouse are the only income beneficiaries

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- **INCREASED LIFETIME INCOME**
 - Charitable Gift Annuity
 - Charitable Remainder Trust
- **TAX-SHELTERED LIFETIME INCOME**
- **SUPPLEMENTAL RETIREMENT INCOME**
- **ASSET MANAGEMENT, DIVERSIFICATION**
- **FINANCIAL SUPPORT (FIXED OR VARIABLE, FOR A TERM OF YEARS OR LIFE), OF FAMILY MEMBERS OR FRIENDS**

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SIMPLER TYPES OF PLANNED GIFTS FOR ENDOWMENT WITH LITTLE ADMINISTRATIVE RESPONSIBILITY BY CHARITY

- Bequests - donor includes “magic language” in a *valid* will or testamentary trust
- Beneficial Designations of a Percentage of (Part or All) of (One or More) Retirement Plan Assets - Revocable, Flexible Giving Method, for Almost All Aged Individuals, from Expensive Assets for Family to Inherit

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- Gifts of Life Insurance Policies That Are No Longer Needed, Gifts Made by Ownership (possible tax breaks) and/or Beneficial Designation of (Part or All) of Existing Life Insurance
- Gifts Funded by Some or All of Your Appreciated Stock or Real Estate (often low yield)

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- Gifts of Real Property Subject to Life Estate or Term of Years (for donor and spouse, partner, sibling) – a personal residence, vacation home or farm, only
- TOD (Transfer on Death) and POD (Payable on Death), legal in many states, owner signs new deed or affidavit with designated beneficiary, owner’s death certificate filed in public records where realty located. May be called the Enhanced Life Estate Deed. Avoids probate. For bank accounts too.

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- Testamentary Disposition, by Bequest, of Government Savings Bonds; or, Lifetime Uses, if no longer paying income, cash in, outright gift to charity, or fund charitable gift annuities for self and another
- Promoting Gifts Other than Cash - vary message, testimonials, stories to illustrate
- Consider gift planning as a diversification strategy for a donor, furthers personal planning goals

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