



Giving: Gifts of Hope

You may hold a philanthropic organization close to your heart throughout your lifetime. You might sustain it with your time and your money, and at end of life, your absence will leave an unfillable void. In this article we will share with you how a gift from your estate, trust, or retirement fund might provide sustained support to the organization and lasting hope for the populations it serves.

As with so many avenues of philanthropy, we may think of so-called legacy gifts as something designated for the realm of the ultra-wealthy. However, if every individual donor committed to match one year of lifetime giving through his or her estate plan, there would be immense benefits to the philanthropic sector. Additionally, many donors only able to give smaller donations during their lifetime, in order to ensure that they can provide for their own needs later in life, may be able to have a bigger impact with a gift as part of their estate. This is a great way to give, period; but definitely a great way to make an impact at a level that may not have been possible during one's lifetime.

According to [Acres of Hope](#), "Legacy gifts... provide for the trajectory of the generation coming after [the donor] to be changed."

The benefits of bequest gifts might be even greater for donors who have tax-deferred retirement accounts. Those accounts, if passed to individual beneficiaries, will be taxed as ordinary income at the state and federal level as the assets are withdrawn from the account. As an example, a \$100,000 account taxed at a combined state and federal rate of 30% would net only \$70,000 to an individual beneficiary. If that gift went instead to a tax-exempt organization, the organization would receive the entire \$100,000.

As a best practice, we always suggest that a donor let the organization(s) of their choice know about their intention to include them in a bequest. This helps ensure the organization receives the funds you have intended and is able to use the gift as you desire. This also allows the organization to thank and recognize you during your lifetime. You can work together with the organization on how the funds can be most useful toward fulfilling their mission, and they can develop a special plan for donor recognition.

Because legacy giving often comes to the organization in a lump sum, it becomes a vital tool to boost the organization's long-term projects, help build crucial reserves, or launch new initiatives. Donor recognition can often result in a special program or even an event that is carried on in the donor's name.

[Hospitality House](#) comments, "As we look ahead, [Hospitality House](#) continues to think of the future and is proactively exploring ways to protect our friends and neighbors. At the heart of our Legacy Circle is a plan that benefits everyone. It is a practical way to ensure self-sufficiency and housing for our community, without affecting one's current finances through thoughtful estate planning."

We hope that you will talk to your families and financial advisors about whether an end of life gift is an opportunity for you and your family to continue your philanthropic vision.

To share how you have been impacted by philanthropy, as a donor, volunteer, or recipient of services, email info@cnihsierra.com, and you could be featured in a future article.

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