

Transform Lives for Generations

A GUIDE TO
PLANNED GIVING



The
SHELTER
FOR ABUSED WOMEN & CHILDREN



For more than 25 years, The Shelter for Abused Women & Children has been providing lifesaving and life-changing services for men, women and children who are victims of domestic violence. This is something we would like to continue for generations to come...but to do so, we need your help.

As an organization, we remain committed to providing emergency shelter, safety and support to victim families in need. However, to make a true difference for our community, we need to stop domestic violence before it begins. To achieve this lofty goal, we must create long-term solutions that change the attitudes, beliefs and behaviors that allow domestic violence to exist.

That is where you come in. Apart from the annual support that you provide, there are other avenues available for you to contribute to our mission, long term. This publication is dedicated to helping you find a way to create your legacy at The Shelter for Abused Women & Children. For personalized ways to plan your gifts, please contact us, and we can assist you in choosing an avenue to give that is mutually beneficial.



In peace,

Linda A. Oberhaus
Executive Director

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The Rewards *of* Personal Philanthropy

AS WE CONFRONT THE CHALLENGES OF THE FUTURE,

we know that the generosity of those who assist us will make all the difference in our success. That is why we seek your support.

We also, however, want to make sure that you benefit from making a gift to The Shelter. In addition to making a difference in the lives of others, the best gift plans improve your financial and tax situation—often right away. A well-planned gift can reduce or possibly eliminate long-term capital gains taxes, provide current income tax deductions, reduce possible estate and gift taxes or even increase your income.

This booklet allows you to explore opportunities that combine your philanthropic giving with your financial needs and tax-planning strategies. Through creative gift planning you can secure your own financial future, as well as The Shelter's.

To design a gift that benefits the people and organizations you care about most, we recommend that you obtain the professional counsel of an attorney who specializes in estate planning. The Shelter can work with your advisors to help you plan for tomorrow and receive maximum benefits today.



A CURRENT WILL OR TRUST

VITAL DOCUMENTS

Have you put off making or updating your will or living trust? Maybe you think it costs too much to do. Perhaps you are having a hard time deciding how to leave your money, or you may simply have an aversion to confronting your mortality.

Drafting these documents may seem like a daunting task at first, until you realize all the good that comes from having them.

A bequest from either a will or living trust lets you pass any amount you wish to The Shelter for Abused Women & Children free of estate tax. You can give cash, specific property or a percentage of your estate, with restrictions or without. Because your gift doesn't come to us until after your lifetime, you can change your mind at any time.

To make sure your will accomplishes your goals according to your wishes, we recommend that you obtain the professional counsel of an attorney who specializes in estate planning.

Benefits

- Provide for your family after your death.
- Distribute your assets according to your wishes.
- Save on estate taxes with proper planning.
- Leave a legacy without giving up assets today.

DID YOU KNOW?

More than half of all Americans die without a will. When this happens, assets are distributed according to the state laws where the deceased lived at the time of his or her death.



Shelter Transitional Living Program

DID YOU KNOW?



The Shelter is a 4-star charity, as rated by independent nonprofit evaluator Charity Navigator. An organization earns this rating based on ability to efficiently manage and grow its finances and execute its mission in a fiscally responsible way.



OUTRIGHT GIFT OF CASH OR CHECK

A QUICK AND EASY WAY TO GIVE

A cash gift by check is one of the most common and easiest methods for making an outright charitable contribution.

If you itemize income tax deductions on your tax return, the first tangible benefit of making a gift by cash or check is the tax deduction for the full value of your gift.

The annual limitation on the use of charitable deductions claimed for gifts to public charitable organizations is 50 percent of your adjusted gross income for cash gifts. Any unused deduction can be carried over and used for up to five additional years, giving you six full years to use the deduction.

The second benefit is seeing the immediate results of your generosity. When you make a cash gift, you are demonstrating a strong commitment to help support The Shelter for Abused Women & Children and contributing to our success.

Benefits

- Receive a current income tax deduction.
- Reduce your potential estate taxes in the future.
- Determine the exact amount of your desired support.
- Experience the joy of giving today.

PERSONAL PROPERTY AND SECURITIES

ASSETS WORTH DONATING

Any type of asset that you irrevocably donate to The Shelter results in a current income tax deduction; but, there may be other tax benefits from your contribution.

If you contribute appreciated securities that you have held more than one year, you have the added benefit of eliminating the tax on the gain.

You can also give us tangible personal property (like an art object, prized collection or antique) and take a deduction for its full fair market value if the gift is used for our exempt function.

These are but two of the types of assets you can donate outright to us today. Using assets other than cash allows you more flexibility when planning your gift, and there are even more potential benefits if you plan your gift creatively.

Benefits

- Receive a current income tax deduction for gifts of securities.
- Provide relief from capital gains tax with gifts of securities.
- Make meaningful gifts with donations of personal property.
- Help fulfill our mission with your contributions.

EXAMPLE

Mary has stocks currently valued at \$20,000 that she purchased for \$4,000 several years ago, which will result in a \$16,000 capital gain if she sells the securities. She is in a 28 percent marginal income tax bracket. Mary decides to donate the stock to The Shelter for Abused Women & Children instead of selling it. By doing this, Mary receives an income tax charitable deduction for the full fair market value of \$20,000 and avoids paying any capital gains tax.

YOUR RETIREMENT PLAN ASSETS

COSTLY TO INHERIT



Did you know that most retirement plan assets are facing double taxation? Assets remaining in retirement plans funded with pretax dollars are considered “income in respect of a decedent” at your death. So the amount left to heirs is diminished not only by estate taxes, but the recipient also must pay income taxes on it!

If you can make other provisions for your family, there is a better option for your retirement plan assets—a charitable gift to The Shelter for Abused Women & Children after your lifetime.

To name us as the beneficiary, first consult your advisor, then instruct the plan administrator of your decision and sign whatever form is required. For an IRA or Keogh plan you administer personally, notify the custodian in writing and keep a copy with your valuable papers.

Benefits

- Eliminate all federal income and estate taxes when you name us as the primary beneficiary.
- Receive partial savings when you give us a specific amount before giving your family the remainder.
- Name us as the contingent beneficiary, which allows for greater flexibility.
- Make the most cost-effective gift you can make, saving other less-taxed assets for loved ones.

EXAMPLE

Susan wants to provide for her children, but she also wishes to leave a charitable gift. Susan decides to pass on income tax-free inheritances such as real estate, cash and life insurance to her heirs and give her retirement plan assets to The Shelter for Abused Women & Children. The assets in her account will pass to us free of any income tax obligation. In addition, Susan’s gift qualifies for an estate tax charitable deduction. Most important, Susan can change her mind at any time about the gift.

LIFE INSURANCE

A VERSATILE TOOL FOR MANY PURPOSES

When you first obtained your life insurance policies, you obviously felt a need for them. Perhaps you do not need all that coverage today, yet you still have those policies.

If you are thinking about a contribution to The Shelter for Abused Women & Children, a gift of your life insurance could be a sensible, as well as generous, course of action. If you make us owner of the policy, you will normally receive an income tax deduction for the policy's fair market value or cost basis, if lower, on the date of the gift. If you name us beneficiary of the policy (and retain ownership), you won't be eligible for current tax benefits because the gift is revocable at any time.

Whether you name us as owner of the policy or name us as the beneficiary while you retain ownership, your estate will not pay estate taxes on the policy proceeds we receive.

Benefits

Name The Shelter as owner

- Receive a charitable income tax deduction when you name us as beneficiary and assign us ownership.
- Receive future income tax deductions when you name us as owner and continue to pay premiums.

Name The Shelter as beneficiary.

- Obtain flexibility by naming us as primary beneficiary but keeping ownership.
- Name us as contingent beneficiary and secure your family's needs first.

3 OPTIONS: Life Insurance Policies You Can Give

1. A recently issued policy
2. An existing policy in premium-paying mode
3. A paid-up life insurance policy

Compare *Your* Options

	Pays You Income	Impact on The Shelter	
		Immediate Impact	Impact After Your Lifetime
Outright Gift of Cash Page 6		✓	
Outright Gift of Securities Page 7		✓	
Outright Gift of Personal Property Page 7		✓	
Gift of Life Insurance Page 9		✓	
Memorial Gifts Page 17			
Charitable Lead Trust Page 13		✓	
Gift of Retirement Plan Assets Page 8			✓
Bequest Page 4			✓
Charitable Remainder Trust Pages 14–16	✓		✓
Charitable Gift Annuity* Page 12	✓		✓



USE THIS CHART to identify the gift that best fits your financial and charitable goals.

<i>Tax Benefits</i>			Other Special Advantages
Immediate Income Tax Benefits	Future Income Tax Benefits	Estate & Capital Gains Tax Benefits	
✓			
✓		✓	
✓			
✓	✓		
✓		✓	
		✓	Remainder of trust goes to heirs
✓		✓	
✓	✓	✓	

**Not available in some states or from some organizations*



CHARITABLE GIFT ANNUITY

A GIFT THAT PAYS YOU FOR LIFE

The concept of a gift annuity is simple. You donate assets that we invest. The Shelter for Abused Women & Children agrees to make fixed payments to you for life (and, if desired, for another beneficiary's lifetime). At the end of the agreement, the funds are available for our use.

A charitable gift annuity is attractive because it ensures you a stream of income that you can't outlive. It is also a superb way to make an enduring gift to strengthen The Shelter for Abused Women & Children when the balance becomes available for our important needs.

The rate you receive is determined by your age on the date of the gift. Annuity rates are higher for older donors, but the rate remains constant once the gift is made. For two lives, the rates are slightly lower because the period of payment is usually longer.

Benefits

- Receive lifetime payments for yourself and possibly another person.
- Obtain a charitable deduction for a portion of the value of the gift.
- Secure partially income tax-free payments.
- Save on capital gains taxes when you contribute appreciated securities.

CHARITABLE REMAINDER ANNUITY TRUST

A GIFT TO US WITH PREDICTABLE BENEFITS TO YOU

If you are disappointed in the yield from your current investments in the stock and bond markets, yet you want to eliminate the capital gains tax should you sell, consider a charitable remainder annuity trust.

This plan will pay you, year after year, the same dollar amount you choose at the outset. The income payments are fixed, based on the starting valuation. Then after your (or other named beneficiary's) lifetime and the lifetime of the survivor beneficiary (if desired), the balance in the trust is available to support our mission.

Benefits

- Receive a fixed dollar income paid annually, semiannually, quarterly or monthly.
- Obtain a partial charitable deduction.
- Increase income from a low-yield asset.
- Gain freedom from investment management.
- Eliminate up-front capital gains tax on long-term appreciated assets used to fund the trust.

EXAMPLE

Joan, 80, depends on income from her portfolio of securities. Lately, the current yield of her holdings has averaged only 2 percent (about \$3,000). Joan decides to establish a charitable remainder annuity trust, funding it with appreciated stocks worth \$150,000 that had originally cost her \$100,000. The trust pays Joan 6 percent, or \$9,000, each year. She is also entitled to a charitable deduction of \$84,851 (based on annual payments and 2.4 percent charitable midterm federal rate—deductions vary based on income earned). Joan is entitled to a charitable deduction up to 30 percent of her AGI, and she can carry over the excess for up to five additional years. What's more, the trust can sell the stock without incurring any capital gains tax. After her lifetime, the trust's balance will go to The Shelter for Abused Women & Children.

“ I am a survivor of domestic violence and that was only possible because of The Shelter. You took my mother and me in, even when our own family had rejected us. You gave us clothes, food, shelter, but most of all, hope for the future. You helped me realize that domestic violence is not the norm of every household and that it is wrong and can be prevented. Thank you for believing in us, for giving us an opportunity at a second chance at life though it seemed as if it were all over. Thank you, because if it were not for this shelter, I would not be alive today. ”

— 17-Year-Old Transitional Living Resident



CHARITABLE REMAINDER UNITRUST

A GIFT WITH BUILT-IN FLEXIBILITY

A charitable remainder unitrust is like a combination of a gift and an investment plan. You place assets in trust, and you (and/or another beneficiary) receive lifetime income from them—then The Shelter for Abused Women & Children receives the remainder.

With a unitrust, the amount you receive as income is a set percentage of the value of the trust assets, redetermined annually.

You also have the option of choosing one of five variations of unitrusts. A unitrust with a net income plus makeup provision, for example, pays only the actual trust yield, even if it is below the stated percentage. Then in later years, when the beneficiary needs more income, the trustee can invest the assets to generate a higher return and make up earlier deficiencies. This option is excellent for devising a supplemental retirement plan.

Benefits

- Receive lifetime variable income (often greater than the yield on contributed assets).
- Obtain a sizable income tax charitable deduction.
- Eliminate up-front capital gains tax if you donate long-term appreciated securities.
- Make a significant gift to one or more charitable organizations.

EXAMPLE

Remember Joan from the charitable remainder annuity trust example? What if she changed her mind and decided to establish a charitable remainder unitrust instead? The main difference is that with a charitable remainder unitrust, Joan would be paid 6 percent of the fair market value of the trust assets. The payment amount will fluctuate as the trust assets are revalued annually. The first year, Joan will receive \$9,000. If the value of the assets grew to \$175,000 the second year, Joan's payment would be 6 percent of the new value, or \$10,500.



MEMORIAL GIFTS

A LASTING TRIBUTE

A gift given in honor of someone special is a lasting tribute to the important part he or she plays in your life. Plus, it is a wonderful way to establish a link with the past and promote a vision for the future.

Many forms of charitable giving can become memorials. Current, outright contributions as well as gifts made through a will are common, but other alternatives—such as endowing an annual gift, now or through your will—can also be effective.

The Shelter for Abused Women & Children has many ways of commemorating a memorial gift that we would enjoy discussing with you.

Creating a memorial gift is a personal decision that should be made in consultation with those close to you. We would be happy to assist you in formulating a plan that will honor your intentions and help you to realize the maximum advantages from such a contribution.

Benefits

- Receive an immediate income tax deduction and reduction of estate taxes through an outright gift.
- Eliminate capital gains tax by giving long-term appreciated property.
- Inspire others to support The Shelter for Abused Women & Children.

YEAR-END GIVING

TIME YOUR GIFT FOR MAXIMUM BENEFITS

The feeling of success and the act of giving are inextricably bound together. Careful planning of year-end gifts allows you to do more for others and still improve your own position today and tomorrow.

You are not limited to giving The Shelter for Abused Women & Children cash at year-end. A quick inventory of your estate can provide all sorts of potential gifts—appreciated securities, real estate, life insurance policies, etc. Timing your gift is important if you itemize deductions and want to take advantage of this year's tax-saving opportunities.

The real benefit you receive from a gift to The Shelter for Abused Women & Children is the personal satisfaction of making a commitment to help us lead the community to prevent, protect and prevail over domestic violence through advocacy, empowerment and social change. Without the generous support of our donors, many of our goals to serve the future of humanity would not be realized.

Benefits

- Receive an immediate income tax deduction in the year you make the gift.
- Reduce your potential estate taxes in the future.
- Avoid all capital gains tax on outright gifts of appreciated property.
- Create an income for yourself and possibly another with a trust arrangement.

Shelter Playground

Where to Go from Here

- **VISIT** www.naplesshelter.org/how-you-can-help to learn more about the gift option that best fits your financial and charitable needs.
- **MEET** with your estate or financial planning advisors for advice on how a planned giving arrangement can work for you.
- **CONTACT US** at 239.775.3862 for help creating a lasting legacy that continues our important mission.

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