

Leadership Planned Giving Options



TEMPLE B'NAI ISRAEL
Spartanburg, South Carolina
*(A proud part of our community
since 1905)*

Gifts by Will

Gifts through wills have proven to be a convenient way for many individuals to make gifts as part of their long-range financial plans. Through a well planned will, it is possible to make gifts for charitable purposes in the form of a specific amount, a particular property, a percentage of the estate, or all or a portion of the residue, or "what's left" after providing for other heirs. Planning charitable gifts via the will makes it possible for donors to maintain complete control over assets during their lifetime, while enjoying estate tax savings for amounts transferred at death.

With fewer people subject to estate tax both now and in the future as a result of federal tax legislation, many are choosing to make gifts during their lives using one or more of the other plans listed here. This way, they enjoy income, capital gains and gift tax savings, and other benefits today with the knowledge they are still providing for a significant gift to the Temple when they no longer need their property or the income it produces. Using these alternative plans also assures that assets will be eventually devoted to the Temple while avoiding probate expenses that could otherwise be incurred.

Life Insurance

Life Insurance needs change as life progresses. Children become self-sufficient and investments may provide unexpected income and security. As a result, not all Life Insurance coverage may be needed for the reason it was initially purchased.

Also, because federal law now exempts many states from taxation, Life Insurance purchased to cover estate taxes may be "obsolete."

Another way to make a gift of insurance is to purchase a new policy, naming Temple B'nai Israel as beneficiary. You can ensure a gift which may ultimately be much larger than its cost.



Gifts of Appreciated Property

When stocks, bonds, mutual funds, real estate, and other appreciated assets are sold, tax is due on any capital gain.

One of the only ways to avoid or delay the capital gains tax is to make a charitable gift of the property. When you give appreciated property that has been held long-term (more than 12 months), you may take a deduction based on the current value of the property rather than just its cost. It is usually best to donate property that would be subject to the highest rate of tax if sold.

The combined benefits of bypassing tax on the capital gain, receiving an income tax deduction, and making a charitable gift can be gratifying indeed.

Charitable Remainder Annuity Trust Charitable Remainder Unitrust

This is an irrevocable trust that features income based on the value of the property given. The Trust pays a fixed income based on the value of assets at the time the Charitable Remainder Annuity Trust is created, while the Charitable Remainder Unitrust provides a fluctuating income based on a fixed percentage of the Trust's annual value.

When the Trust is created, capital gains tax can be avoided or postponed, and an income tax deduction is available for a portion of the value of the property. Income from the Charitable Remainder Trust may be taxed favorably under lower capital gains tax rates. There can also be estate tax benefits.



Charitable Lead Trust

You may create a Trust to provide income for Temple B'nai Israel for a period of time you determine: For example, 5, 10, 15, 20 years or more. Through the use of the Charitable Lead Trust, it can be possible to transfer assets to heirs with little or no estate and gift taxes due. This plan is especially attractive for those who believe they may still be subject to federal gift or state taxes.

Life Estate Agreement

Under a Life Estate Agreement, you may transfer the title to a residence or farm to Temple B'nai Israel yet retain the right to live there and use the property for life.

You are entitled to any income produced and are responsible for upkeep. A tax deduction is available in the year of the gift equal to the value of the remainder interest. At death, the Temple receives the property to use as needed or as you directed, free of estate tax on the value of the property passing to charity.

Gift Annuity

In the case of a charitable Gift Annuity, you make a gift to Temple B'nai Israel and receive fixed annual payments for life. The size of the payments is based on the age(s) of payments recipient(s), when the gift is made; the older the recipient(s), the larger the payments.

You are allowed a tax deduction for a portion of the amount transferred. For a period of years, only part of the payments will be taxed as income. If stocks or other property that has risen in value is given for a Gift Annuity that pays income to you and/or your spouse, the realized capital gains can generally be reported at what may be more favorable capital gains tax rates over a period of time. If the donor and/or a spouse are the only payment beneficiaries, the amount used to fund a Gift Annuity is generally not subject to estate taxes that might otherwise be due.

The agreement itself can be easily completed by mail. Contact us about the availability of this plan.



Creative gifts through Retirement Plans

Whether you participate in a company pension plan or fund you have established such as an Individual Retirement Account (IRA), you may accumulate funds beyond your needs for comfortable support of yourself and loved ones.

In such a case, it may be very easy and convenient to make a gift from such accounts to the Temple to perpetuate a synagogue that you consider vital for the well being of future generations.

It can be satisfying to know that the funds you carefully saved over a lifetime may ultimately be put to good use now or as part of a prudent estate plan.

Increasing your retirement income

Many of the plans described here can be a welcome addition to your retirement plans. If you have property that has increased in value but yields little income, using it to fund a charitable gift plan that features income benefits can help your assets do "double duty."

The payments you receive from the gift plan will generally be based on the full value of your property, not just what would be left after you paid tax on your gain if you sold the property. You will also enjoy tax savings from the deduction you receive when you create the plan. This amount can be invested for greater income.

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