

ABOUT CHARITABLE GIVING THROUGH YOUR WILL

Many of us give to our favorite charity annually. But making a gift in a Will is the ultimate and final way we can help our favorite charitable organization. Your Will goes into effect **after your death**. Therefore, the gifts you specify in your Will are made from the assets which remain after payment of your funeral expenses and other debts. Such gifts enable you to make significant contributions that may not have been possible during your lifetime.

You should know that leaving a gift to a charitable organization doesn't mean you can't leave money to your family, too. You can do both, and some charitable gifts may actually save your family money by reducing inheritance taxes. Many people set aside a specific dollar amount. Some leave a percentage of their estate or any assets left over after providing for their family. Some bequeath personal property such as a car or collectibles.

Just as gifts to charity during your lifetime may result in a **tax deduction**, the gifts made by you after death may provide a deduction for your estate. In general, a gift to an organization which is recognized as tax-exempt for charitable or educational purposes by the Internal Revenue Service under Internal Revenue Code Section 2055 and Section 170 will be exempt from taxes.

To help ensure a better tax situation for your heirs, you may wish your Will to include wording such as, *I instruct that all of my charitable gifts shall be made, to the extent possible, from property that constitutes "income in respect of a decedent" as that term is defined in the Internal Revenue Code.*

Charitable bequests can take various forms. Sample bequest language is offered below for your legal counsel's consideration in preparing your Will or Trust. Talk to your financial or legal advisor about the best way for you to leave your legacy.

SAMPLE LANGUAGE FOR VARIOUS TYPES OF CHARITABLE BEQUESTS

UNRESTRICTED BEQUEST:

I give to **Brothers of the Christian Schools, District of Eastern North America, EIN 27-0161049, located in Eatontown, NJ**, the sum of \$ _____ Dollars (or _____% or fraction of my adjusted gross estate) as a charitable gift to be used as it is most needed.

RESTRICTED BEQUEST:

Any of the bequest types listed here can be RESTRICTED, by replacing the phrase, "to be used as it is most needed," with a phrase such as, "to be used for (describe the purpose for the gift)." Some examples would be:

"to be used to support their overseas missions."

"to be used for the District scholarship fund." (for children from the poorest economic circumstances)

"to care for retired, elder and disabled Brothers."

BEQUEST OF RESIDUARY ESTATE:

After making the above gifts to my family and specific persons, I give all (or _____% of) remaining property owned by me at death, wherever located, to Brothers of the Christian Schools, District of Eastern North America, EIN 27-0161049, located in Eatontown, NJ, to be used as it is most needed.

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BEQUEST FOR ENDOWMENT:

I give to Brothers of the Christian Schools, District of Eastern North America, EIN 27-0161049, located in Eatontown, NJ, the sum of \$_____ Dollars (or _____% of my adjusted gross estate) to be held as an endowment, the net income of which may, along with any appreciation (whether realized or unrealized), be spent as it is most needed.

BEQUEST OF SPECIFIC PROPERTY:

I give the following property to Brothers of the Christian Schools, District of Eastern North America, EIN 27-0161049, located in Eatontown, NJ, which may be used, or liquidated with income to be used as it is most needed: (describe property- X shares of XYZ stock, real estate, gold jewelry, or valuable coin or art collection; insert specific description and where located.)

CONTINGENT BEQUEST:

If (insert name or names) does/do not survive me, I give to Brothers of the Christian Schools, District of Eastern North America, EIN 27-0161049, located in Eatontown, NJ, his/her share of my estate, both real and personal, to use as it is most needed.

NOTE: ADVANTAGES OF NAMING A CHARITY AS IRA BENEFICIARY

A charity is an excellent beneficiary for a 401k or IRA plan. A charitable or educational organization will not have to pay income taxes as a result of this gift, whereas an individual may have additional taxes due as a result of being named as a beneficiary of a retirement account.

Your Attorney will advise you about legal issues regarding your Will and Charitable Gift.

If you have further questions regarding how best to express your intent, or what specific giving venues are available within our organization, please feel free to contact:

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This document provides general information only. You should rely on your tax attorney's advice in all matters regarding your estate plan. You may ask your attorney to prepare other documents in addition to a Will, and your attorney will have the right to charge a fee for the additional work. Brothers of the Christian Schools, DENA does not prepare Wills and is not engaged in the practice of Law.