

# Planned Gifts

## **Bequest**

A simple planned gift can be made naming a fund at the Community Foundation of Western Massachusetts as a beneficiary of your estate. The terms of that fund can be arranged directly with the Community Foundation at that time, and can be changed later simply by contacting the Foundation.

## **IRA, 401 (k), 403 (b) or Other Qualified Retirement Plan Assets**

A donor may use these assets to leave a legacy simply by naming the Community Foundation as the beneficiary. Such assets can be subject to both estate and income taxes, so these assets should be the first used for charitable bequests.

## **Life Insurance**

The Community Foundation of Western Massachusetts can be named as the owner and beneficiary of a new or existing policy—perhaps a policy that is no longer essential to your financial goals. Subsequent premiums that you pay will then become tax deductible.

## **Charitable Gift Annuity**

A gift annuity is a contract with the Community Foundation to pay a fixed income, usually for the life of the donor and/or spouse, but others can be named as the life beneficiaries. At the conclusion of the annuity, the Foundation will add to an existing or a new permanently endowed fund an amount equal to the difference between the original gift and the cost of providing the annuity.

## **Charitable Remainder Trust**

A Charitable Remainder Trust is a trust that allows a donor to receive income (or provide income for another person) with the knowledge that the funds remaining when the trust terminates will be added to an endowed fund, permanently supporting the donor's charitable interests.

## **Charitable Lead Trust**

A Charitable Lead Trust is a trust that enables the donor to make significant charitable gifts in the near term, and then distribute the remainder interest to non-charitable beneficiaries, who may benefit from significantly lowered gift and estate taxes.