

Planned Giving

OPPORTUNITIES FOR GIVING AND RECEIVING

Stephanie C. Buckley, J.D., LL.M.
Center For Estate And Gift Planning
Pepperdine University
310-506-4893 / stephanie.buckley@pepperdine.edu

Why Planned Giving Now?

- People Feel Less And Are Less Wealthy
- People Still Own Appreciated Assets
- People Desire To Increase Income
- People Still Do Not Want To Pay Large Capital Gains Tax
- People Are Still Charitable

How Does Planned Giving Help?

- Allows For The Sale Of Appreciated Assets With Little, Deferred, Or No Capital Gains Tax.
- Allows Donor To Make A Gift That He Or She Would Not Otherwise Be Able To Make.
- Helps Donor Meet Financial Objectives While Meeting Charitable Goals.
- Death and Taxes

Types of Assets

- Cash (infrequent)
- Stock
- Real Estate
- Business Interest
 - C corp stock
 - S corp stock
 - LLC
 - Partnership
 - Sole Proprietorship
- Tangible Personal Property

Gift Annuity

Donor Transfers Cash or Property to
Charity in Exchange for Fixed
Payments for Life

Gift Annuity

- Fixed Payments for Life
- Rates by Age to 9.5%
- Income Tax Deduction
- Partly Tax-Free Payments

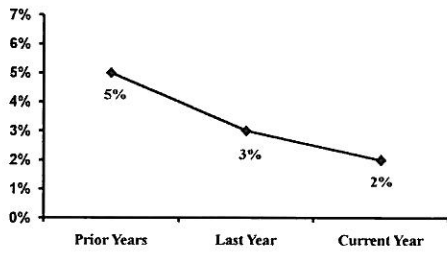
Solution

Consider A Charitable Gift Annuity

- Fixed Income For Life
- Increased Income
- Charitable Deduction

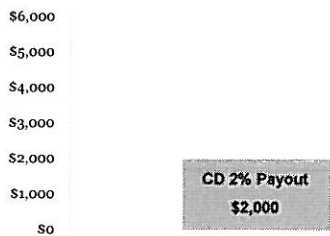
Declining CD Income

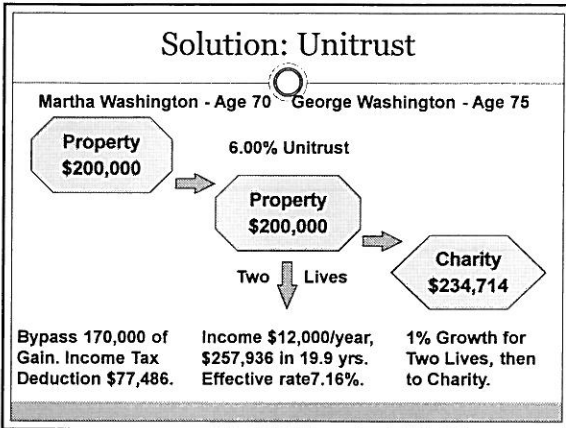
Mary Jones Age 80



\$100K CD & No Gift Annuity

Mary Jones Age 80





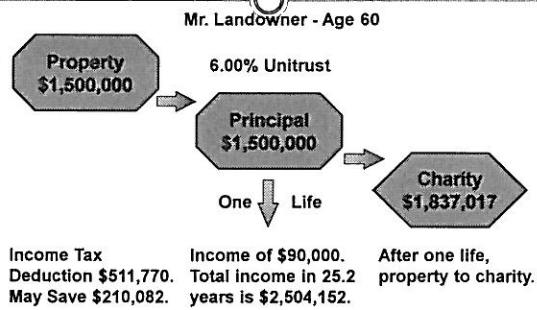
- ### CRUT
- Variable Payout
 - Different Payout Options
 - Lower Payouts Preferable
 - Can Make Additional Contribution

- ### Straight Unitrust
- Dist. = FMV of Trust X Payout %
 - Can Provide Increasing Income
 - Easier to Administer
 - Most Common CRT

Case Study #2

- Mr. Landowner, age 60, purchased a piece of undeveloped real estate in Los Angeles many years ago for \$500,000. That property is now worth \$1.5M. Mr. Landowner no longer wishes to own the property, but realizes if he sells it he will incur a large capital gains tax. Is there a way for Mr. Landowner to sell the property without having to pay capital gains tax?

Charitable Unitrust



Questions
