

## **Charitable Bequest Language**

Often the easiest way to support one's charitable interests, a bequest permits your clients to support their community while retaining complete control over their assets during their lifetime. Bequests can be a specific dollar amount, a percentage of one's estate, or what remains after other bequests- such as those to family members- are satisfied.

### **Highlights:**

- Through a bequest, your clients may arrange for their heirs to receive lifetime income from their estate, with the remainder going to the Foundation for charitable purposes.
- They may contribute to an existing fund, or if the bequest is over \$5,000, they may create and name a new fund.
- Your clients can give cash, appreciated stocks, real estate, or other assets.
- Some of the most tax-efficient assets types to give through one's will come from retirement plan assets, since heirs would be taxed on the income in respect of the decedent.
- Bequests to the Foundation earn a full charitable deduction on estate taxes.

### **Forms of Bequests:**

One advantage of giving by Will is the flexibility this option offers. Three of the most popular forms of bequests are:

#### **1) A fixed amount of money or a designated property:**

"I give and bequeath to the Community Foundation of Switzerland County Inc., located in Vevay, Indiana, \$\_\_\_\_\_ " (or describe the real or personal property, including exact location.)

#### **2) A percentage of the estate:**

"I give and bequeath to the Community Foundation of Switzerland County Inc., located in Vevay, Indiana, \_\_\_\_\_% of my estate."

#### **3) A residual bequest:**

"All the residue of my estate, including real and personal property, I give and bequeath to the Community Foundation of Switzerland County Inc., located in Vevay, Indiana."

**How the Community Foundation will use a bequest:**

We encourage your clients to meet with our staff during their lifetime to discuss how they would like their bequest to be used. The bequest may be used to fund one or more specific organizations, to fund a field of interest such as the arts or youth programs, or to meet emerging community needs. If the bequest is \$5,000 or greater, your client may establish a named fund at the Community Foundation by language in their will. They may also wish to draw up a deferred fund agreement with the Community Foundation, spelling out their wishes in more detail.

**Your clients may wish to add language to their will that specifies how the gift is to be used:**

Example: This gift is to be used to establish an endowment fund at the Community Foundation of Switzerland County, Inc. to be known as the \_\_\_\_\_ Fund. The payout from this fund shall be used for:

- Unrestricted, general charitable purposes (where the need is the greatest)
- \_\_\_\_\_ (insert field of interest such as education, youth programs, culture, etc.) purposes
- Designated charity(ies): \_\_\_\_\_ (insert exact name of specific organizations)

If you would like additional information about charitable bequests, please contact the Community Foundation's staff.