

## Charitable Instruments

A variety of giving methods tailored to your unique situation.



**Outright Gift.** You can make a gift of cash, stock, bonds, real estate, or other assets to the Community Foundation. Your charitable gift qualifies for the maximum tax advantage under federal law.

**Bequest by Will.** You can designate a gift or portion of your estate to the Community Foundation and, in some cases, receive a substantial reduction in federal gift and estate taxes.

**Charitable Remainder Trust.** You can place cash or property in a trust that pays annual income to you (or another named beneficiary) for life. After your death, the remainder of the trust transfers to the Community Foundation and is placed into a charitable fund you have selected or created. You receive income tax benefits the year you establish your trust.

**Charitable Lead Trust.** You can place cash or property into a trust that pays a fixed amount to the Community Foundation for the number of years you select. Once this period ends, the assets held by the trust are transferred to the beneficiaries you name. In some cases, you receive a substantial reduction in federal gift and estate taxes.

**Life Insurance.** Life insurance policies also can be used as charitable gifts. If you name the Community Foundation or one of our affiliates as the owner and beneficiary of an existing or new life insurance policy, you receive an immediate tax deduction, which usually approximates the cash surrender value of the policy. All premium payments made by you thereafter will be deductible as a charitable contribution.

**IRA/Pension Plan.** A retirement plan is one of the best types of assets to transfer to a charity because it produces taxable income. Most assets an heir inherits are free from income tax. However, an heir will pay income tax on disbursements from a decedent's retirement plan such as a profit sharing plan, Section 401(k) plan or IRA. If you are going to make a charitable bequest, it is usually better to transfer the taxable assets subject to income tax to a tax-exempt charity — such as the Community Foundation — and to transfer assets not subject to income tax to heirs.

You can also contribute up to \$100,000 from your IRA directly to a fund at the Community Foundation. This gift is not taxable income.

### You receive personalized service

Each individual, family, business, or organization we work with has unique charitable interests and unique financial circumstances. We help you make the most of both, so you can receive the greatest return on your community investment.

We recommend that you consult with your professional advisor regarding all matters concerning your finances.

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everything charitable.®*

#### Affiliates:

Community Foundation  
of Dutchess County

Community Foundation  
of Ulster County

Community Foundation  
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**COMMUNITY  
FOUNDATIONS**  
OF THE HUDSON VALLEY

SERVING DUTCHESS, ULSTER & PUTNAM COUNTIES