



JUNIOR ACHIEVEMENT PLANNED GIVING

GROWING A LEGACY

Types of Planned Giving Gifts

Type	Description	Timing of Revenue	Revocability for Donor	Liability for Your Organization
Charitable Bequest	A charitable bequest is a gift designated in a Last Will or Testament during an individual's lifetime that becomes available to the charitable organizations(s) after the individual's lifetime. The primary characteristic that distinguished a bequest from many other planned gifts is its revocable nature, i.e. the donor can change his/her mind. Therefore, there is no charitable income tax deduction for a bequest.	Deferred	Revocable	No liability if gift is used in accordance with donor's wishes
Charitable Gift Annuity	The charitable gift annuity is a combination of a gift to charity and an annuity. For senior persons, annuity rates may be 8%, 9% or even higher. Since part of the annuity payment is tax-free return of principal, the gift annuity may provide the donor with a very substantial income. The combination of partially tax-free income and the initial charitable deduction makes this agreement quite attractive. And after all payments have been made for the lives of the annuitant, a favorite charity will benefit from the charitable gift. Can be immediate or deferred payments to donor.)	Deferred	Irrevocable	Contractual liability in accordance with gift annuity contract
Charitable Remainder Annuity Trust (CRAT)	Highly appreciated, low yield property may be transferred into a living remainder annuity trust. The individual selects an annuity amount or a percent of the initial fair market value that will be paid for one or two lifetimes or time period up to twenty years. The annuity amount will be fixed and will not change regardless of the value of the trust principal or the return of the trust. The charity received the trust principal after all income payments have been completed.	Deferred. Donor may change charitable beneficiary depending on contract	Irrevocable	None if JA does not serve as trustee
Charitable Remainder Unitrust (CRUT)	Similar to the CRAT, but the amount paid is equal to a set percentage of the trust assets as valued annually. Payments may thus vary with the performance of the assets in the trust. After all of the income payments have been completed, the remainder is distributed to qualified charities.	Deferred. Donor may change charitable beneficiary depending on contract	Irrevocable	None if JA does not serve as trustee
Charitable Lead Trust	Property is transferred into a trust permitting a variable or fixed amount to be distributed each year to the selected charity for a chosen number of years. At the end of the chosen term of years, principal is returned to the donor or distributed to family members.	Immediate (generally for a designated term of years)	Irrevocable	No liability. JA would not serve as trustee or co-trustee.
Retained Life Estate	A donor can contribute a primary personal residence, second home or a farm to a charity and continue to occupy the property until death. The donor benefits from an irrevocable donation to charity, current income tax deduction and continued enjoyment of property for lifetime.	Deferred. Actual gift is real property and revenue is realized upon death of donor or sale of property.	Irrevocable	No liability if contract is designed carefully and comprehensively with donor.
Life Insurance	A donor can designate JA as a beneficiary of a life insurance policy.	Deferred	Revocable	None
Pension, 401(k), 403(b) Plans and/or Traditional or Roth IRA	A donor can designate JA as a beneficiary to any of these estate planning documents	Deferred	Revocable	None