



 ORLANDO SCIENCE CENTER

Use Your Estate Plan to Change the World

Creating Your Legacy

One of the most meaningful things you can do with your estate plan is use it to create your personal legacy. This legacy represents your most cherished values, and your desire to see those values supported far into the future.

A legacy gift, also known as a planned gift, is a way to provide for the places you love, just like your plan provides for the people you love.

When you create this type of gift, you have the opportunity to either restrict its use, specify how the funds are used—or keep the gift unrestricted, allowing it to be used for an organization's most pressing needs.

You also have the chance to pay tribute to someone special in your life by making your gift in honor or in memory of someone close to your heart. Finally, for substantially sized planned gifts, you have the option to endow your gift. This requires the charitable organization to hold the funds permanently and use only the annual investment income or a small percentage of the total fund each year. In this manner, your gift will continue in perpetuity.

Regardless of how you choose to structure your planned gift, you can rest easily knowing that today you are empowering what you love to continue onward tomorrow.

It Only Takes One Sentence - If you make a gift in your will to support a beloved charity, here is sample language your attorney could use when making an unrestricted gift:

"I give to [legal name and address of charitable organization] [dollar amount, percentage of residuary estate or description of property] to be used as determined by its governing board."



If you have included support for a favorite charity in your plan, let them know, too. This will allow the organization to make sure your gift is used exactly as you intend.

Easy Gifts

Gifts in a Will or Trust - A gift in a will or trust, otherwise known as a bequest, make up the vast majority of all planned gifts and it's easy to see why: they are simple to create, flexible in their terms and cost you nothing today.

Creating a gift in your will can be accomplished in as little as one sentence. But this small act can make a huge future impact on the nonprofit you support.

Beneficiary Designations - You can name a charitable organization as a beneficiary of your IRA or other retirement plans, life insurance policies, donor advised funds or commercial annuities.

Start by requesting a change-of-beneficiary form from your policy administrator or download the form from your provider's website. Make your desired changes and return the form to establish your gift.

A Gift from Your IRA - If you are 70 1 /2 or older, consider making a tax-free gift from your IRA to an organization. By giving directly from your IRA, you can make an impact today and also benefit from not being required to pay income taxes on the gift. If you are required to take minimum distributions, your gift can satisfy all or part of that obligation.

Donor Advised Funds (DAF) - A donor advised fund is like a charitable savings account. You transfer cash, appreciated securities or other assets into your fund. In return, you qualify for an income tax deduction, and, if you donate appreciated assets, you may eliminate capital gains tax.

You can then recommend grants (or recurring grants) to charities.

Gifts That Pay You

Charitable Gift Annuity - You can support your favorite charitable organization and secure dependable income in your retirement years: with a charitable gift annuity (CGA).

You transfer cash or appreciated assets to fund the CGA. In return, you, and another person if you choose, receive fixed, secure payments for life. After all beneficiaries have passed away, the remaining balance is used to support the charity you established the gift annuity with.

If you itemize, you may take a charitable deduction for part of the value of your gift. A portion of each gift annuity payment may also be income tax-free throughout your life expectancy. As an added benefit, if you fund your CGA with appreciated assets you have held longer than one year, you can minimize capital gains taxes.

If you do not need payments now, you can also create a deferred CGA. You make a gift now but the charity agrees to pay you a set income for life, starting at the date of your choosing in the future.

Charitable Remainder Trust - If you have built a sizable estate and also are looking for ways to receive reliable payments, consider a charitable remainder trust. This type of trust provides you or other named individuals with income each year for life or a period not exceeding 20 years from assets you give to the trust you create. At the end of the trust term, the balance in the trust goes to one or more charitable organizations.

These types of gifts may offer you a variety of tax benefits and the options for either fixed or variable income.

More Ways to Give

Appreciated Securities - Securities and mutual funds that have increased in value and been held for more than one year are popular assets to use when making a gift to a charitable organization. Making a gift of securities or mutual funds offers you the chance to support their work while realizing important benefits for yourself.

When you donate appreciated securities or mutual funds in support of an organization's mission, you can reduce or even eliminate federal capital gains taxes on the transfer. You may also be entitled to a federal income tax charitable deduction, when you itemize.

Real Estate - There are many ways you can use your home, farm or business property to further your charitable legacy. The most popular way you can give real estate is through an outright gift or a gift in your will or trust.

Depending on how you decide to make your gift, you may qualify for a federal income tax charitable deduction, and you may minimize or eliminate capital gains tax. And, if you make your gift during your lifetime, you no longer have to deal with that property's maintenance costs, property taxes or insurance.

Charitable Lead Trust - If you want to make an impact now to your favorite charitable organization and also provide for your family later, consider setting up a charitable lead trust.

You transfer cash or other assets to a trust that makes payments to charity for a period of time. When the term is up, the remaining trust assets pass to your family or other beneficiaries you select.

This strategy is most frequently used by the charitably inclined for estate or gift tax planning purposes. It can potentially provide benefits such as an income tax deduction or estate or gift tax savings on assets ultimately passed to the individuals designated as remainder beneficiaries.

California residents: Annuities are subject to regulations by the State of California. Payments under such agreements, however, are not protected or otherwise guaranteed by any government agency or the California Life and Health Insurance Guarantee Association. Oklahoma residents: A charitable gift annuity is not regulated by the Oklahoma Insurance Department and is not protected by a guaranty association affiliated with the Oklahoma Insurance Department. South Dakota residents: Charitable gift annuities are not regulated by and are not under the jurisdiction of the South Dakota Division of Insurance. PEPC-O • Information contained herein was accurate at the time of upload. The information in this publication is for educational purposes only and not intended as legal or tax advice. Figures cited in any examples are for illustrative purposes only. References to tax rates include federal taxes only and are subject to change. State law may further impact your individual results. Orlando Science Center advises that you consult with an Estate Planning Professionals as mentioned in Section One of this guide.



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