

CALIFORNIA-NEVADA UNITED METHODIST FOUNDATION

Charitable Remainder Unitrust

Support for charity, tax savings, charitable deductions, and income for you

Advantages:

- Realize an immediate income tax deduction.
- Minimize death taxes which can range as high as 55 percent.
- Divide your gift among your church and as many charities as you like.
- Have your income backed by the experience of the CA-NV United Methodist Foundation.
- Receive free counsel from representatives who share your beliefs and values.
- Avoid income tax on the capital gains on your appreciated property.

A charitable remainder unitrust through CA-NV United Methodist Foundation is an ideal way to turn assets like real estate and securities into a cash gift without losing much of your gain to taxes and you support your favorite charities at the same time. It is a particularly good gift plan option for making a donation of an asset that may take some time to sell.

How it works:

Before you arrange a sale of your securities or real estate, you make a gift of the actual asset to the CA-NV United Methodist Foundation. You may give the entire asset or any percentage. The Foundation finds a buyer for your gift asset and converts it to cash. We then provide you with income from your gift for the rest of your life as long as the trust generates income.

You benefit substantially with an immediate tax deduction, plus you avoid income tax on the amount your asset has increased in value since you purchased it, unless the Alternative Minimum Tax is involved.

And you get the satisfaction of knowing the charities you choose will benefit from your generosity.

How to give a gift:

Establishing a charitable remainder unitrust is easy with the help of the CA- NV United Methodist Foundation. Our experienced representative can help you transfer your real estate or securities to the Foundation and designate what charities you would like to support. We handle the sale of your gift asset.

You can have your income from the trust divided among more than one person, and you can direct the eventual distribution of the trust principal among as many charities as you like.

Please keep in mind that gifts placed into a charitable remainder unitrust are irrevocable and cannot be withdrawn.

What the charities receive:

Every charity we know is delighted to receive funds through a charitable remainder unitrust. It ensures that the charity receives the gift you have designated. It also allows the charity to anticipate future donations and plan accordingly.

What you receive:

Each year you receive payments based on an agreed-upon rate established when the trust is signed. The minimum payout rate is 5 percent and can be higher. In most cases, payments are made only when the trust earns income. As a general rule of thumb, we recommend the payout rate be no more than the decade of your age. For example, you might choose to be paid 6 percent if you are between the ages of 60-69; or 7 percent if you are between the ages of 70-79.

You also receive a charitable income tax deduction at the time you make the gift. Your exact deduction is based on your age and the payout rate of your unitrust.