

# CALIFORNIA-NEVADA UNITED METHODIST FOUNDATION

## YOUR WILL AN ACT OF CHRISTIAN STEWARDSHIP

### Advantages:

- You direct the way your assets will be handled after your death, not the laws of the state.
- You can provide for special family needs.
- You can plan for a business or farm to remain in the family.
- You can extend your Christian values beyond your lifetime.
- No matter how large or small your estate, writing a will is basic to good Christian stewardship. Careful estate planning makes sure those you love-family, friends, and church are provided for.

### Who Needs A Will?

Every adult should have a will. If you die without one, the laws of your state, not you, will decide how your assets are to be distributed, and your heirs might have to pay out unnecessary extra expenses and taxes. To avoid this, you need to arrange for someone to see that your wishes are carried out after you die:

- An executor or personal representative who works with your attorney to settle your estate.
- A guardian entrusted to care for your minor or dependent children.
- A trustee to manage the assets of any trust your will may establish.

Be certain to choose an alternate for each of your representatives in case the person named cannot serve when needed.

### How To Write A Will:

When writing a will, it is important to ask the help of an attorney, who can express your wishes in proper legal language. Most will write a simple will for a reasonable fee. For large estates, it may help to include other financial professionals on your estate planning team.

To be certain that your will reflects your beliefs and values, it may also be helpful, before consulting a lawyer and a financial expert, to consult a planned giving specialist to work with you.

### How To Provide For Loved Ones:

The financial needs of your survivors are a primary concern when writing a will, and these needs change over time. When deciding how your estate should be distributed, family needs should be a major concern.

- If your spouse with young children survives, the entire estate should generally go to your surviving spouse.
- If both you and your spouse die and minor children survive, only the children should benefit from the estate, in most cases.
- When your youngest child becomes independent, you may decide you are able to designate a larger portion of your estate to support the work of an agency you care about.
- Special provisions should always be made for children with disabilities.

Your survivors may benefit from your having a testamentary trust. A trust is an excellent way to provide for minor children if both you and your spouse die. It can also be used to save death taxed in larger estates, provide for disabled or spendthrift children, or manage assets left to a surviving spouse.

If you and your spouse or your entire family die at the same time, most wills have a “common disaster” provision.

- If you are a parent and die leaving minor children, the estate is generally left to your children, often in the form of a testamentary trust.
- If your entire family dies, the “common Disaster” provision gives you the opportunity to direct a greater portion of your estate to support people and programs you care about.

### **What To Consider:**

There are a number of ways to reflect your beliefs and values in a will.

- You can use the opportunity to express your faith, perhaps by adding a faith statement in your opening paragraph.
- You can include words that say writing a will is more than a routine business transaction for you.
- You can make fair, sensible, adequate provisions for your loved ones in keeping with their needs and the size of your estate.
- You can record your wishes on such matters as who should receive specific family heirlooms and keepsakes.
- You can make arrangements to support your church and/or the caring ministry at a specific agency by including the correct legal language:

### **Specimen Bequests Clauses**

#### **Unrestricted General Legacy:**

I give to (Name) United Methodist Church, (City, State) the sum of \$\_\_\_\_\_ dollars for its general purposes.

#### **Gift For A Specific Purpose:**

I give to (Name) United Methodist Church, (City, State) the sum of \$\_\_\_\_\_ dollars to be added to its endowment and the net income shall be used for the education program (building maintenance, music program, missions, outreach, etc.). If in the opinion of the Pastor and the Board of Trustees the purposes of the Church would be better served by using income or principal, or both, for the Church=s general purposes, the income and/or principal, or both, may be so used.

#### **A Specific Legacy:**

I give my religious art collection consisting of paintings and sculptures to (Name) United Methodist Church, (City, State).

#### **Gift Of Residuary Estate:**

I give the residue of the property owned by me at my death, real and personal and wherever situated, to (Name) United Methodist Church, (City, State), for its general purposes.

#### **Contingent Gift Of Residuary Estate:**

I give the residue of the property owned by me at my death, real and personal and wherever situated, to my sister Mary Jane Doe, if she survives me. If my sister does not survive me, I give my residuary estate to (Name) United Methodist Church, (City, State), for its general purposes.

**Amount Of Gift Dependent On The Size Of The Estate:**

I give the sum of \$\_\_\_\_\_ dollars or \_\_\_\_\_% of my adjusted gross estate as finally determined for federal estate tax purposes, whichever is the lesser, to (Name) United Methodist Church, (City, State) for its general purposes.

**Directions That The Charitable Gift Be Free Of Taxes:**

I direct that no estate or inheritance taxes be paid from the share of any property given to (Name) United Methodist Church, (City, State).

**Provision Providing For Payment Of A Pledge:**

I direct my executor to pay to (Name) United Methodist Church, (City, State), any balance that is due or will become due under the terms of any pledge or pledges made by me during my lifetime.

If a gift to a church and/or a specific agency is one of several you wish to make, you can make a single bequest to CA-NV United Methodist Foundation, and the Foundation will care for distributing the gifts upon your death.

**How To “Endow” Your Annual Gift To The Church:**

If you have been giving an annual gift each year to the church you may wish to “endow” that gift forever. By placing a provision in your Will (or in a codicil to your Will), you can provide income to the church in perpetuity.

Here is how it can work. (It is assumed that your bequest will generate a 5% rate of return each year. However, the actual income will probably grow overtime - due to growth of principal.)

<u>A Bequest Of:</u>	<u>Will Provide Annual Income Of:</u>
\$2,000	\$ 100
\$5,000	\$ 250
\$10,000	\$ 500
\$15,000	\$ 750
\$20,000	\$ 1,000
\$50,000	\$ 2,500
\$100,000	\$ 5,000
\$200,000	\$10,000

**When To Review Your Will:**

A will is a document that should change as your life situations change. Good times to make a review are

- Every three to four years
- If your marital status changes
- When you have a child
- When your children become independent
- When you move to another state
- When a significant financial change occurs

- When tax laws change
- When you want to change an executor, trustee, or guardian
- When you want to change the charities you chose to support

Writing a will may sound complicated, but it's not. Start now to make certain your faith will touch the future. The professional staff at CA-NV United Methodist Foundation can help you.