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PLANNED GIVING BRIEF



"GIVE IT TWICE"

TESTAMENTARY CHARITABLE REMAINDER UNITRUST

A Testamentary Charitable Remainder Unitrust can be an important part of your overall estate plan. These trusts can help you spread out an inheritance to your heirs over many years, provide tax savings and help you achieve your financial goals.

The Testamentary Charitable Remainder Unitrust (TCRUT) can be a powerful estate planning tool to accomplish the following:

- Provide your heirs with an inheritance in an appropriate amount and manner.
- Reduce estate and income taxes.
- Leave a significant legacy to your church and charities.

How Does a TCRUT Work?

A TCRUT is a trust that makes payments to one or more beneficiaries. At the end of the trust, the remaining principal is distributed to one or more charities. You decide:

WHO

will be the income beneficiaries

HOW

much, how often, and for how long the income payments will be made

WHICH

charities will be the remainder beneficiaries

The names and images shown here are representative of typical donors and may or may not be actual donors to the organization. Under federal rules your benefits may be different from this example. Please contact us for your specific benefits.

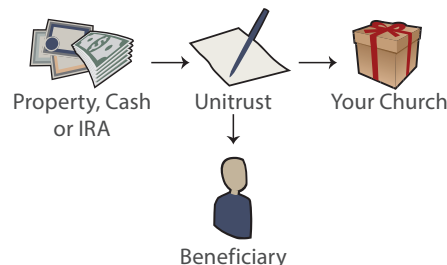
Let's consider how this might work.

Prodigal Son (or Daughter)

Are you a parent or grandparent who would like to leave an inheritance but are concerned about spendthrift heirs? The values of the younger generations may differ from yours regarding finances—spending vs. saving? Remember the story of the Prodigal Son?—the son received too much too soon, and it nearly ruined him...he was not ready or mature enough to handle such an inheritance.

Instead of leaving a large inheritance all at once, consider utilizing a TCRUT to spread out the inheritance over a period of years (up to 20). You can determine the amount your heirs receive, the frequency, and the duration of payments.

Testamentary Charitable Remainder Unitrust



AN EXAMPLE OF A TCRUT

Grandma would like to leave an appreciated capital asset worth \$500,000 to her grandkids...but not all at once. Instead, she sets up a 15-year, 5% TCRUT for their benefit through her estate plan and gifts the asset to the TCRUT.

- Grandma's estate receives a \$234,000 charitable estate tax deduction.
- Grandkids receive \$25,000 annually, totaling \$400,000 over the 15 year trust term.
- With proper management, the TCRUT will pay your heirs income that is taxed at favorable tax rates.
- Grandma has peace of mind knowing the grandkids cannot spend it all at once and the joy of knowing two of her favorite charities will benefit when the trust ends.
- She has "given it twice": Her grandkids receive \$400,000 in income, and her church and favorite charities receive nearly \$600,000 in principal. That is a total gift to heirs and charity of \$1,000,000!