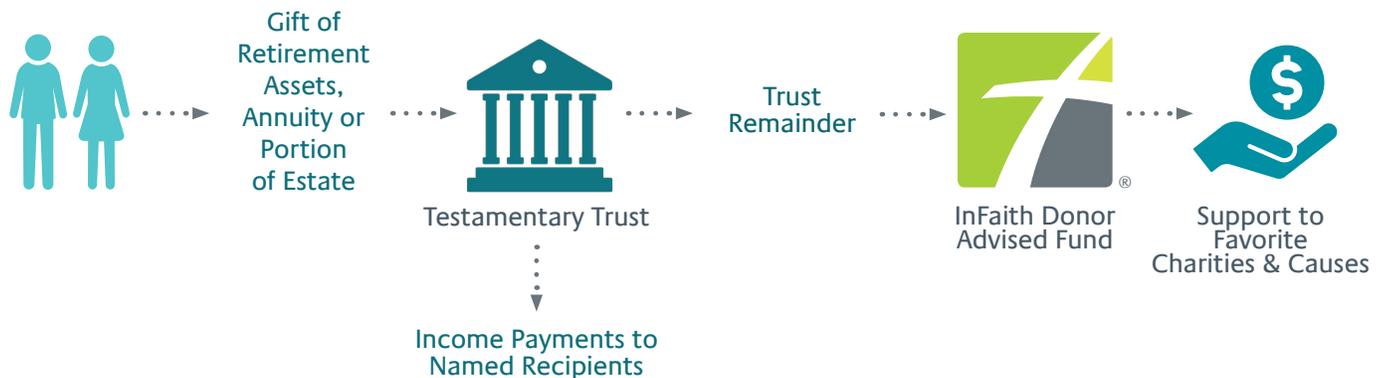


TESTAMENTARY CHARITABLE REMAINDER TRUSTS

A Testamentary Charitable Remainder Trust at InFaith Community Foundation can be established as a provision in your will using life insurance, commercial annuities, retirement assets or a portion of your estate. When retirement plan assets are used to establish the trust, there may be the added benefit of bypassing related income taxes.

HOW IT WORKS

With a testamentary charitable remainder trust, a trust is created with assets upon the donor's death. The trust then makes regular income payments to the donor's named heirs for life or a term of up to 20 years. These income payments are calculated annually using a set percentage rate and the value of the trust's assets. The amount remaining at the termination of the trust is directed to a donor advised fund created by the donor. This donor advised fund supports charities or areas of charitable work recommended by the donor. *Gift Minimum: \$100,000/\$200,000 for illiquid assets.* In some instances an annuity trust, where heirs receive ongoing fixed-income payments, may be appropriate. *Gift Minimum: \$50,000.*



BENEFITS OF GIVING

Provide Income for Life to Heirs. Name your spouse, family members or friends as income recipients for life or a term of up to 20 years.

Reduce Taxes. Receive an estate tax deduction for the charitable portion of the gift. Heirs also avoid immediate recognition of taxable income, spreading the taxable income over the life of the trust, rather than as a lump sum.

Support Favorite Charities or Causes. The trust remainder is directed to your custom donor advised fund to support one or more IRS-qualified charities of your choosing.

FOR MORE INFORMATION

Call InFaith Community Foundation at 800.365.4172 or visit inFaithFound.org. We can assist you by providing a personalized illustration that describes income and tax benefits you could receive. There is no charge and you are under no obligation.

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inFaith COMMUNITY FOUNDATION®

DONOR STORY

The Donors.

A couple, both age 63, are working to update their estate plans. They have significant assets in their retirement accounts, which they likely won't deplete in their lifetimes. They're concerned about the income tax due on their retirement accounts when their children inherit, and they also want to leave a legacy by supporting several favorite charities.

Their Gift.

The donors updated their will and estate documents to include language that establishes a testamentary charitable remainder trust upon the second death, and named the trust as the beneficiary of their qualified retirement accounts. Their two sons will receive a variable income payment of 5% of the trust's assets annually for the rest of their lives. This plan spreads out the taxable income to the sons over time, versus them being assessed with a lump sum tax bill upon the parents' death (which can be as much as 37% for qualified retirement assets). At the passing of the sons, the remainder of the trust will go into their InFaith donor advised fund and provide ongoing support to selected charities.

Donors must itemize their deductions to receive a charitable income tax deduction. Payout rates, charitable deductions and other benefits vary based on a number of factors.

Charitable giving can result in significant tax, legal and financial consequences. InFaith Community Foundation does not provide accounting or tax advice. Consult with your attorney or tax professional.

To ensure compliance with IRS requirements, be aware that any U.S. federal tax advice that may be contained in this brochure is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing and recommending another party to any transaction or matter addressed herein.



Spreading Joy. Changing Lives.®

InFaith Community Foundation is a national charity with a mission to serve donors, spread joy and change lives. Through InFaith, giving is customized to each donor's charitable interests and financial circumstances. InFaith is a proven steward of these gifts, earning the highest possible ratings from Charity Navigator and GuideStar for sound fiscal management, transparency and commitment to excellence. Together with donors, InFaith grants millions of dollars annually to charities serving local, national and global communities. To learn more, visit inFaithFound.org.

WE OFFER

- Donor advised funds, giving circles, collaborative funds and organizational endowments.
- Full range of giving options, from simple to complex.
- Flexibility to give to any charity.
- Maximum tax benefits based on when and how charitable gifts are made.
- Donor-centered services including online access and family and women's giving resources.
- Mission-based investment options for charitable assets.

