



# Planned Giving

SAFEHOME, Inc. is a 501 (c) (3) organization  
All donations are tax-deductible as allowed by law.

Federal Tax ID Number: 48-0917798

Have you made charitable giving part of your life? Planned giving, which involves charitable gifts after your death, is a unique way to make a lasting impact on a charity to which you have a strong commitment. To get you started, some of the more basic planned giving instruments are listed below:

## Bequests

A bequest is a private, easy method of donating after your death. It does not affect your assets or cash flow, and is revocable. A bequest can deliver a specific gift ("I bequeath the sum of Ten Thousand (\$10,000) Dollars"), or a percentage of the balance remaining in your estate after taxes, expenses and specific bequests have been paid – what's known as the residue of your estate ("I bequeath Ten Percent of the residue of my estate"). Generally, giving a percentage of the residue allows for more flexibility in your long-term planning.

A charitable bequest or trust distribution is deductible for federal estate tax purposes, and there is no limit on the deduction your estate can claim. In addition, the gift is usually exempt from state inheritance taxes.

Since SAFEHOME would not receive your bequest until far into the future, its terms should be as general as possible in order to avoid a gift benefiting a project that the charity no longer pursues, or with terms that will be difficult to meet.

## Gifts of Retirement Plans

As with many donors, your largest asset may be your retirement plan – your 401 (k), 403 (b), IRA, Keogh, or other such accounts. When you plan your estate, you may automatically designate a child or other relative as the successor beneficiary of the account after your death, then use cash or securities to make a charitable gift to SAFEHOME.

But there's a tax trap in such an arrangement: the IRS considers the balance left in your retirement account to be untaxed income, and it will assess any heir, except your spouse, income tax on the value of the account they receive. The income tax is in addition to the estate tax on the retirement account balance.

Some people feel the result of this is double taxation. For estates fully subject to the estate tax, up to 75 percent of the value of the retirement plan can be consumed in taxes before your child, relative or friend receives it. Your retirement plan can deliver more benefit to SAFEHOME than to your heirs.

**The information on this site was obtained from "Leave A Legacy" and is not intended as legal, tax or investment advice. For such advice, please consult an attorney, tax professional or investment professional.**

## **Gifts of Life Insurance**

You may be surprised to learn that your surplus, paid-up life insurance policies can be used to fund a gift to SAFEHOME. If, for instance, you acquired several life insurance policies when your family was younger, with the children now grown the coverage may be more than you need. If you donate a policy, your charitable deduction will be the lesser of the fair market value of the policy or your cost basis, which is the total of your net premium payments. Your advisor can guide you in determining this or your cost basis, which is the total of your net premium payments.

Alternatively, your annual income may be healthy, but you know that ongoing family obligations will make it difficult for you to accumulate capital. You want to make a significant gift to SAFEHOME, but wonder how you will gather the resources to do so. If you take out a new life insurance policy as a gift, you can deliver a large benefit to SAFEHOME from income rather than capital. You will make deductible annual gifts to SAFEHOME in the amount of the premium payments; we will, in turn pay the premiums to the insurer.

You can also transfer ownership of an existing policy which is not yet paid up. Your charitable deduction will be determined as if you had given a paid-up policy. SAFEHOME may reserve the right to surrender your policy or to keep it in force; you may make deductible gifts to offset SAFEHOME's premium payments if it elects to continue the policy.

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For information about the many other giving vehicles not discussed in this informational sheet, please speak with your financial planner, attorney or accountant. You may also consult these helpful websites:

*National Council on Planned Giving:* [www.ncpng.org](http://www.ncpng.org)

*Leave A Legacy:* [www.leavealegacy.org](http://www.leavealegacy.org)

*Kansas City Affiliate:* [www.leavealegacykc.org](http://www.leavealegacykc.org)

Please be sure to notify us if you select SAFEHOME for a posthumous gift. We would be honored to add your name to our Hearts to Butterflies Society.

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***SAFEHOME's mission is to break the cycle of domestic violence and partner abuse for victims and their children by providing shelter, advocacy, counseling and prevention education in our community.***

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