

Planned Giving Draft A

Planned Giving to Save a Child's Heart (SACH) is an effective way to donate stocks, bonds, part or all of the value of your home, car or other assets to support our mission to save the lives of children with congenital heart disease in developing countries.

You can use planned giving now – such as through the donation of appreciated stocks – as a part of your tax strategy and philanthropic impact. It can also be a way for you to deepen your legacy and impact even after you are physically gone.

Planned giving will enable to you to continue to help us make the world a better place one heart at a time.

Simply put, planned giving is the transfer of assets to a designated nonprofit organization during a lifetime or as part of an estate plan. This forward-thinking approach to giving is “planned” because often these assets are not liquid, have tax benefits and are generally transferred via a will or other written means.

Many people may get the impression that planned giving is something only affluent donors engage in. But did you know that most planned gift donors give small annual gifts year after year rather than larger donations?

Fully 69% of planned giving donors give less than \$500 per year. However, when you no longer need your house, car, or other assets, planned giving can enable you to continue to save the lives of dying children.

Transferring assets is easy and it can provide tax benefits. SACH accepts the following methods, and we will provide you with information regarding the procedures and benefits.

Estate Giving

Estate giving often comes in the form of a gift in your will or trust. It is one of the easiest and most flexible ways to make a planned contribution. You need to specifically state that the gift is for SACH. With the help of an attorney or tax advisor, you can:

- Give a specific dollar amount or asset to be donated
- Give a percentage (5%? 10%? 50%?) of your estate
- Give the balance (or residue) of your estate
- Make a beneficiary designation of certain assets

Estate gifts and beneficiary designations can be dedicated toward a specific purpose or may be unrestricted for general use by SACH. To have your gift applied to a specific program, please add “...for the benefit of (name of program)” to the language suggested above.

Retirement Assets

Retirement assets can be donated to an organization of your choice. These funds grow tax-free, until the time of withdrawal. You can contribute retirement funds to SACH and provide for your loved ones using these methods:

- **Outright gift through beneficiary designation**

Name SACH as the beneficiary or contingent beneficiary of your retirement assets after your lifetime. When a retirement account is left to a charity, the organization does not pay any income tax whereas your heirs may pay income tax if they inherit your retirement funds. Your retirement plan's administrator can provide a beneficiary form for you to name SACH as your partial or sole beneficiary.

- **Special tax-free IRA gifts**

For those aged 70½ or older, a total of up to \$100,000 can be transferred directly from traditional or Roth IRAs to SACH free from federal income tax each year. There may also be state income tax savings. Amounts given in this way count toward required IRA minimum withdrawal amounts for the year of the gift. To make a gift in this way, it is important to not withdraw funds prior to a gift, but have the gift amount distributed directly from an IRA to one or more qualified charities. For those with check writing privileges on their accounts, this may be the most efficient way to make gifts directly from an IRA.

Life Insurance

There are a number of ways to support SACH with an insurance-related gift.

- **Add a beneficiary to your policy**

You can make a change to the beneficiary/beneficiaries of your insurance policy without changing your will or other aspects of your estate plan. Ask your insurance company for a form that will allow you to make SACH a beneficiary of your insurance policy.

- **Making SACH the owner and beneficiary**

You can take out a policy and make SACH the owner and beneficiary. Premium payments can be made by you directly to the insurance company or by SACH, by way of your annual gift to the organization. You can take an income tax deduction for the premiums paid.

Naming SACH as the beneficiary of any of these accounts

- Life insurance policies (primary or successor beneficiary)
- Individual retirement accounts (IRA)
- Commercial annuities
- Checking, savings or other financial accounts

Just contact your bank, insurance company or retirement account holder and request a beneficiary designation form. To complete the form, use our legal name and Federal Tax ID.

Legal Name: Save a Child’s Heart Foundation US, Inc

Attn: David Litwack, Executive Director, SACH

Address: PO Box 59172, Potomac, MD 20859-9172

Federal Tax ID Number: 52-1783323

Stock Gifts

Please notify SACH prior to making a stock gift.

One of the most advantageous ways to contribute to SACH is through a gift of stock. You can donate appreciated stocks, and the total value of the stock upon transfer is tax-deductible. There is no obligation to pay any capital gains taxes on the appreciation.

To find out how to contribute stocks, please contact SACH at 240-223-3940 or email us at info@saveachildsheartus.org

Donor Advised Fund

A donor advised fund, or (DAF), allows you to make a charitable contribution, recommend grants to support your favorite charities, and receive immediate tax deductions.

When including SACH in your plans, please use our legal name and Federal Tax ID. Make checks payable to SACH and mail to:

Legal Name: Save a Child’s Heart Foundation US, Inc

Attn: David Litwack, Executive Director, SACH

Address: PO Box 59172, Potomac, MD 20859-9172

Federal Tax ID Number: 52-178-3323

Types of Giving	What is it?	Processes	Benefits to Donors
Estate Giving	Placing a contribution to an organization in your will or other estate plans. Options include IRA, Life Insurance Policies and Checking & Savings Accounts	Add SACH as a beneficiary, using our legal name and federal tax ID, to appropriate documents	Offers substantial tax savings to donors, in addition to being able to support one of their favorite causes without having to provide a large gift outright

Retirement Assets	Funds from your retirement plan can be donated to an organization or charity of your choosing	Request the appropriate forms from your retirement plan administrator and name SACH as a beneficiary in your assets	Retirement assets grow tax-free until withdrawal. When retirement funds are left to charity, the organization does not pay any income tax
IRA	For donors aged 70 or older, up to \$100,000 can be transferred from regular individual retirements accounts directly to an organization of your choice every year, free of income tax	Do not withdraw the funds, but instead name SACH as a beneficiary for a direct transfer	Allows for state income tax savings
Life Insurance	Donors can make contributions from the savings from their life insurance policies	Request a form from your insurance company to add SACH as a beneficiary. Or take out a policy and make SACH the owner and beneficiary, while making the premium payments as an annual gift	Premium payments result in tax deductions
Stocks	Donors can gift stocks to organizations as a charitable bequest	Instruct your stock-holding institution to electronically transfer shares to SACH, then notify SACH of your gift	The donor receives a charitable tax-deduction based on the value of the stock. There is no obligation to pay capital gains taxes on the appreciation
Donor-advised Fund	A fund that donors can use to recommend charitable contributions to charities or organizations of their choice	Name SACH as a beneficiary to your fund, and add our legal name	Donors receive an immediate tax deduction

and federal tax ID to the appropriate documents

Bequest	A gift in your will or living trust that lists an organization as a beneficiary	Contact your bank and lawyer add SACH as a beneficiary to financial documents and leave instructions on how the funds will be distributed. Be sure to provide SACH's legal name and federal tax ID	Tax benefits, most notably reductions in estate tax Recognition and legacy at SACH
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Disclaimer: The information provided here is not a substitute for legal advice. If you are considering making a planned gift, please consult a lawyer or other legal service before doing so. For more information about our planned giving processes, please contact SACH at 240-223-3940 or email us at info@saveachildsheartus.org