

## LEAVE A LEGACY!

### What is planned giving?

A gift to **Open Gates Equine Rescue, Inc. (OPEN GATES)** from your estate can insure the long-term success of our efforts while providing you and your heirs substantial benefits today and tomorrow. That is what planned giving is all about.

There are many ways that a gift to OPEN GATES of cash or other assets, such as real estate, artwork or partnership interests, can be beneficial to you in the short-term or to your heirs in the long-term.

Potential benefits of these kinds of gifts include:

- Reduced donor income tax
- Avoidance of capital gains tax
- Passing of assets to family at a reduced tax cost
- The ability to make a significant donation to a cause about which you feel passionate

With the assistance of a financial advisor, anyone can meet his or her charitable and financial goals. These kinds of gifts include bequests, trusts and contracts between a donor and a charity. Basic descriptions of the most popular types of these gifts are below:

### Matching Gifts:

Many companies have matching gift programs that can double or triple your contribution. Ask your employer if they will match your individual gift to OPEN GATES.

### Honorary or Memorial Gifts:

Pay tribute to someone dear to you with a memorial gift to OPEN GATES. Honor your pet, your horse, your friend or a family member's memory, by supporting a great cause. At OPEN GATES, we send out a lovely card with pictures of our horses which states that a donation was made in honor or in memory of "fill in the blank." We also include the name and address of the donor so recipients can send a thank you if they wish.

### Gifts in Kind:

**Life Insurance:** Naming OPEN GATES as the beneficiary of an old life insurance policy that is no longer needed to protect your family is a simple way of making a large gift. You may benefit from a potential income tax deduction (check with your tax attorney).

**Gift of Stock:** Stocks and other gifts of investment assets such as mutual funds may provide an opportunity for a tax savings while supporting OPEN GATES.

## **Types of Planned Gifts:**

**Charitable Lead Trust:** This trust makes payments, either a fixed amount (annuity trust) or a percentage of trust principal (unitrust), to a charity during its term. At the end of the trust term, the principal can either go back to you (a grantor lead trust) or to heirs named by you (a non-grantor lead trust). You may claim a charitable income tax deduction for funding a grantor lead trust or a charitable gift tax deduction for funding a non-grantor lead trust. Since lead trusts are typically used to pass assets to heirs, non-grantor lead trusts are far more common than grantor lead trusts.

**Bequest:** When you decide to leave assets to a charity in your will, you are making a bequest. Your estate will receive a charitable estate tax deduction at the time of your death, when the gift is made to OPEN GATES.

**Gift Annuity:** A gift annuity is a contract between a charity and yourself. In return for a donation of cash or other assets, the charity agrees to pay a fixed payment for life to you or to a friend or family member of your choosing. You also can claim a charitable tax donation. If you fund a gift annuity with long-term capital gain property, you will have to report only some of the gain, and may be able to report it in installments over many years. Income from a gift annuity can be deferred for a period of years. Deferred gift annuities are often set up by younger donors to supplement retirement income.

**Charitable Remainder Trust:** This trust makes payments, either a fixed amount (annuity trust) or a percentage of trust principal (unitrust), to whomever you choose to receive income. You may be able to claim a charitable income tax deduction and may not have to pay any capital gains tax if the gift is of appreciated property. At the end of the trust term, the charity receives whatever amount is left in the trust. Charitable remainder unitrusts provide some flexibility in the distribution of income, and thus can be helpful in retirement planning.

This information is provided to give basic information about planned giving options. We recommend that you speak with your financial advisor to get specific advice about what choices you make as those choices apply to your particular situation. If you do not have a financial advisor, we can provide a source of contacts for your review.

**THANK YOU FOR HELPING THE HORSES WITH YOUR CONTRIBUTIONS !**