

SUMMARY OF VARIOUS TYPES OF PLANNED GIFTS AND THE ADVANTAGES INVOLVED

NATURE OF GIFT	BENEFITS FOR DEVELOPMENT AND PEACE	BENEFITS FOR THE DONOR	TYPE OF DONATION
Gift of publicly listed Securities	<ul style="list-style-type: none"> ▪ Immediate Use ▪ Liquid ▪ Little risk ▪ Generally simple and low cost to implement 	<ul style="list-style-type: none"> ▪ Donation receipt for fair market value ▪ No capital gains tax ▪ Satisfaction of seeing gift at work today 	<ul style="list-style-type: none"> ▪ Stocks ▪ Bonds ▪ Mutual Fund Units ▪ Employee Stock Option Shares
Life Insurance Policy (Charity named as owner and irrevocable beneficiary)	<ul style="list-style-type: none"> ▪ Immediate access to cash value, assurance of death proceeds if policy retained (Term policies are often not retained as donor gets older) 	<ul style="list-style-type: none"> ▪ Donation receipt for cash value and any future premiums paid ▪ Small current outlay leveraged into larger future gift 	<ul style="list-style-type: none"> ▪ Any whole life policy (participating or universal) ▪ Term policy (personal)
Life Insurance Policy (charity named as beneficiary but not owner)	<ul style="list-style-type: none"> ▪ Will receive death proceeds unless donor changes beneficiary designation 	<ul style="list-style-type: none"> ▪ Satisfaction of providing a future gift while retaining full control of policy ▪ Donation receipt to estate for full value of death proceeds 	<ul style="list-style-type: none"> ▪ Any type of life insurance policy
Bequest of Retirement Plan Accumulations	<ul style="list-style-type: none"> ▪ Future gift provided beneficiary designation(s) and/ or bequest wording are not changed 	<ul style="list-style-type: none"> ▪ Satisfaction of providing a possible future gift while preserving personal security ▪ Gift receipt that offsets tax on distribution of retirement funds 	<ul style="list-style-type: none"> ▪ Registered Retirement Savings Plan (RRSP) and Registered Retirement Income Fund (RRIF) accumulations

Bequest by Will	<ul style="list-style-type: none"> ▪ Expectancy of future gift provided that bequest wording is not changed 	<ul style="list-style-type: none"> ▪ Satisfaction of providing for future gift while retaining full control of property ▪ Donation receipt for use with final income tax return 	<ul style="list-style-type: none"> ▪ Cash, securities, real estate, tangible personal property
Charitable Gift Annuity ¹	<ul style="list-style-type: none"> ▪ Irrevocable gift of whatever principal remains after making required payments 	<ul style="list-style-type: none"> ▪ Guaranteed life payments, all or substantially tax-free ▪ A donation receipt for a portion of contribution 	<ul style="list-style-type: none"> ▪ Cash or marketable securities
Endowment fund	<ul style="list-style-type: none"> ▪ Ensures continuity ▪ An investment in the future against which only the interest is used for at least a 10 year period 	<ul style="list-style-type: none"> ▪ The satisfaction of contributing over the longer term ▪ A tax receipt reflecting the nature of the donation ▪ Member of the Fund 	All forms of donations (preferably liquid assets)

1. Note: Only charities designated as charitable organizations (i.e. not public or private foundations) and authorized under provincial law, may currently issue gift annuities.

Source: Minton & Somers, *Planned Giving for Canadians* (Adapted and revised)