



## **Types of Charitable Giving Vehicles: Making an impact on the future of the Eno River**

Planned gifts to a beloved nonprofit can be the most meaningful a person makes. At the Eno River Association, they allow an individual to leave a legacy of conservation, and often make a greater impact than would have been possible during their lifetime. Estate gifts to the Eno River Association can also shelter heirs from a tax burden, and some can even pay a donor in their lifetime! With several planned giving options available and no minimum gift level, it is likely that you will find one that fits your personal, family, and estate circumstances.

No matter which kind of planned gift you choose, to ensure the funds transfer smoothly, please use our legal information:

**Name: The Association for the Preservation of the Eno River Valley, Inc.**

**Address: 4404 Guess Rd, Durham, NC 27712**

**EIN: 56-1134204**

### **Common Planned Gifts**



#### **Bequest through Will or Trust**

A bequest made through a will or a living trust is the most popular planned gift, the easiest to make, and costs nothing during a donor's lifetime. A bequest can be included in a new will or added to an existing will or living trust through a simple amendment called a codicil — often without the expense of hiring a lawyer. A bequest is usually a set dollar amount or percentage of an estate that goes to a nonprofit after the donor's death. Sample bequest language is available on the Legacy Member page of our website.



#### **Life Insurance**

A donor can designate a charity as a Life Insurance policy beneficiary. This allows the donor to provide a large gift to benefit a nonprofit – often more than they would be able to donate outright. The donor's heirs benefit as well, because policy proceeds distributed to a nonprofit are exempt from estate tax. In many cases, adding the Eno River Association to your Life Insurance plan may be done in a matter of minutes through your policy holder's online portal or by talking to your provider.



## Retirement plan / IRA

Like a gift of life insurance, a donor can name a nonprofit as the beneficiary of a portion or all of their IRA, 401(k), or other Retirement Plans. When the donor's estate is settled, the amount designated passes to the nonprofit and the donor's heirs avoid income and estate tax.

Many donors also take advantage of the **Charitable IRA Rollover** (also referred to as a qualified charitable distribution or QCD). This allows donors 70½ or older to make tax-free IRA charitable rollover gifts of up to \$100,000 per year directly from their Individual Retirement Accounts to eligible nonprofits. The funds must be transferred directly to the charity; withdrawing them first will result in a tax penalty. Though this is not a planned gift, it is considered a tax-deferred gift and is very beneficial to the donor and the nonprofit.



## Real Estate

A donor can make a gift of real estate to a nonprofit, removing a large taxable asset from their estate and benefiting by receiving an income tax deduction equal to the appraised fair market value of the property, with no capital gains tax due on the transfer. You can devise real property to the Association for the Preservation of the Eno River Valley, Inc. in your will, or convey the remainder interest in real property while retaining a life estate. As additional considerations may be needed to prepare the Association for your incoming donation of property, please contact us immediately to alert us to your interest in making a gift of this type.



## Personal Property

Donors can gift items such as artwork, collectibles, books, equipment, or other items of tangible Personal Property. Most times, a gift will yield them a charitable deduction for the items' fair market value (it must be professionally appraised at the donor's expense), with no capital gains liability to the donor or organization. The nonprofit can either keep the property, display it, or sell it and use the proceeds. As additional considerations may be needed to prepare the Association for your incoming donation of property, please contact us immediately to alert us to your interest in making a gift of this type.

## Gifts that Pay You



### Charitable Gift Annuity

A Charitable Gift Annuity allows the donor to transfer an irrevocable gift of cash or securities to a nonprofit in exchange for a fixed income payment for life. What's more, this gift plan entitles the donor to an immediate charitable income tax deduction. At the end of its term, the Charitable Gift Annuity balance goes to the nonprofit to support its mission. A minimum gift level applies, please contact our office if you're interested in setting up a charitable gift annuity.



### Charitable Remainder Trust

A charitable remainder trust is a trust gifted to a charity that pays an annual amount to the trustee(s) for a specified term, usually up to 20 years. Once the trust is complete, the charity receives the remaining funds. The donor receives a charitable income tax deduction for a portion of the value of the assets placed in the trust. A charitable remainder annuity trust pays an amount each year, while a charitable remainder unitrust pays a percentage of the remaining trust fund.



## **Charitable Lead Trust**

A Charitable Lead Trust is the reverse of a Charitable Remainder Trust. After a donor makes a gift, the Charitable Lead Trust pays income to the donor's designated charity first, for a term of years or for the donor's lifetime. After that, the trust assets are passed back to the donor or designated beneficiaries.

There are other, less common vehicles that may be right for you. We recommend you connect with a financial advisor, estate planner, or attorney to weigh the benefits of each for you.

**Contact our office if you need additional information, would like a list of estate planners in this area, or to alert us to your planned gift:**

**Darlene Fiscus, Director of Development**  
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