

TOOLS FOR GIVING

The opportunity of a lifetime to give the gift of a lifetime

Charitable IRA



Until December 31, 2009, transfer up to \$100,000 from your individual retirement account to the community foundation this year—tax-free.

How it works

- You can give more to charity and pay less in taxes.
- You make a gift of up to \$100,000 by transferring IRA assets to your community foundation by December 31, 2009. You must be 70½ years old. If married, each spouse can transfer up to \$100,000 from his or her IRA.
- Your gift can be placed into a charitable fund in your name, the name of your family, or in honor of any person or organization you choose. We handle all administrative details.
- Your gift can also be placed into an endowment that is invested and will grow over time. Grants addressing community needs will be made forever.

Choose a fund

- Unrestricted Fund—Address a broad range of current and future needs. The community foundation awards strategic grants to select projects and programs.
- Field of Interest Fund—Target your gifts to causes important to you. The community foundation awards grants to programs addressing a specific interest area.
- Designated Fund—Support the good work of a specific nonprofit organization with a source of income, plus planned giving and investment management services.

Choosing charity over tax

“We saved very carefully for so many years. In fact, we have more than we need during our retirement,” said Anna Henderson. “We have even set aside assets for our children—enough to give them a nice inheritance when we pass on.” Instead of leaving their children highly taxed retirement assets (after estate and the heirs’ income taxes), the Hendersons decided to transfer 100 percent of these funds to their community foundation. The community foundation received their Charitable IRA gift tax-free, and helped them establish the Henderson Family Fund, a Field of Interest Fund. “It feels good to make this gift during our lifetime,” said Stephen. “We enjoy seeing the difference our gift is making to key health issues in our community.”

(A scenario)



community foundation™



Midland Area

community foundation™



community foundation™

Ten reasons people choose to give through our community foundation

one

We are a **local organization** with deep roots in the community.

two

We have **broad expertise** regarding community issues and needs.

three

We provide highly **personalized service** tailored to each individual's charitable and financial interests.

four

Our funds help people **invest in the causes** they care about most.

five

We accept a wide **variety of assets**, and can facilitate even the most complex forms of giving.

six

We partner with **professional advisors** to create highly effective approaches to charitable giving.

seven

We offer maximum **tax advantage** for most gifts under federal law.

eight

We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

nine

We build **endowment funds** that benefit the community forever and help create personal legacies.

ten

We are a **community leader**, convening agencies and coordinating resources to create positive change.

More benefits

We can make your charitable IRA transfer easy, flexible and effective, helping you achieve your personal, charitable and financial goals. We are happy to answer your questions and complete all required paperwork; or, if you prefer, we can consult with your financial advisor or estate planner to recommend a solution that's right for you and your family.

This opportunity is time sensitive. Until December 31, 2009, you can transfer excess retirement assets up to \$100,000, directly and easily to the community foundation. The transaction incurs no federal income tax, and the asset is no longer part of your estate for tax purposes. You can choose to give during your lifetime so that you (and your community) can see results that your gift makes possible.

Larger estates face significant taxes, including taxes on IRA funds left to a dependent or family member (other than a spouse). Any amounts left in an IRA when an individual dies may be taxed as income to the beneficiary and are also considered assets for the purpose of calculating that person's estate tax liability. When you give your IRA to charity, your heirs are not burdened by these taxes and decreased value. Instead, you can leave them other assets that have a more favorable tax treatment.

The community foundation provides a simple, powerful, and highly personal approach to giving. We offer a variety of giving tools to help people achieve their charitable goals.

You can make a gift of IRA, cash, stocks, bonds, real estate, or other assets to your community foundation. Most charitable gifts qualify for maximum tax advantage under federal law. For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact us.