

Legacy Giving Options

Please note that these descriptions are informational only, and do not constitute legal or tax advice. Please consult with a financial or estate planning professional to understand the implications of a gift for your particular circumstances and goals.

GIFTS FROM YOUR ESTATE

Bequest in your Will or Trust

- Give a percentage of your estate, the remainder of your estate, or a specific dollar amount
- The estate may receive a tax deduction in the amount of the charitable bequest
- If you already have a will or trust, an attorney can help with a simple codicil or trust amendment

Sample Bequest Language

"I give, devise and bequeath _____ (state a percentage or dollar amount, or specific property or other asset) to the Savannah Music Festival Inc."

Retirement Plan 401(k) or IRA Designation

- Name one or more charities as a beneficiary or a percentage of a retirement plan
- Retirement plan distributions to beneficiaries can be taxed at high rates (exceeding 70% in some cases); retirement plan distributions to charity incur no taxes
- You can specify a percentage, a specific amount, or the remainder of the account
- Contact your plan administrator for a form

GIFTS YOU CAN GIVE NOW

In addition to cash, you can give:

Appreciated, Marketable Securities

- Incur no capital gains tax
- Provides a tax deduction for the fair market value

Life Insurance

- A new policy or a policy that is no longer needed
- Provides a tax deduction for the value of the policy
- If the Savannah Music Festival is the owner and beneficiary of the policy, instead of paying premiums to the insurance company, you make tax-deductible gifts to SMF and SMF pays the premium
- Upon the death of the insured, the proceeds will fund your legacy gift to Savannah Music Festival

IRA Required Minimum Distribution (RMD)

- Individuals aged 70 ½ and older can donate up to \$100,000 of their RMDs each year to charity tax-free; couples aged 70 ½ and older can donate up to \$200,000 of their RMDs to charity each year tax-free
- Amount transferred does not count as income to be taxed; may reduce exposure to Alternative Minimum Tax
- Funds must be transferred directly from the IRA by the IRA Trustee to a qualified charity in order to qualify for the tax break

Charitable Lead Trust

- Tax-smart method of giving to both family and charity
- Established with real estate or other income-generating property
- Makes charitable payments regularly
- At the end of the term, transfers property to children with reduced gift and/or estate taxes, and no taxes on appreciation

GIFTS THAT PROVIDE INCOME

Charitable Remainder Trust

- Enables you to make a gift that produces income for you or for loved ones
- Take a pro-rated tax deduction now and leave the remainder to charity
- May reduce estate taxes
- Can make fixed payments, or payments that change with the size of the trust
- Upon the end of the term, the remainder of the trust becomes your legacy gift to Savannah Music Festival