

# Frequently Asked Questions About Planned Giving



October, 2022

## **What is Planned Giving?**

A planned gift (sometimes called a deferred or a legacy gift) is a gift that is planned for during the donor's lifetime. The gift may be received by the church over several years prior to the donor's death or after the donor's death. It is usually funded from accumulated assets or insurance which are a part of an individual's estate plan.

## **How is Planned Giving different from Annual Giving and a Capital Campaign?**

Stewardship giving generally is intended for either the operating budget, for a designated purpose or for the Foundation. Planned Giving is a way for donors to leave an enduring legacy for the mission of the church while providing for their family members as well. It is a way for most people to intentionally fund the ongoing spiritual mission of the parish by contributing from their financial assets or estate. Most people think of Annual Giving as a contribution from their annual budget to meet the annual operating needs of the church. Capital Campaigns are occasional events to meet specific capital and mission purposes such as building and grounds or housing for homeless in Charlotte. Most people make Capital Campaign donations from their assets.

## **How will the money from a Planned Gift be used?**

Most people make a general donation to the church to be managed and used to meet mission and ministry needs as determined by church leadership. Some people may wish to designate how the funds will be used, and that should be discussed when considering a planned gift so that an individual's wishes are clearly understood and documented. Estate documents can also designate the purpose of a gift.

## **Does a Planned Gift have to be a large amount?**

Planned Giving is not just for wealthy individuals. It is for anyone who wants to continue the Christian work of the parish. Small planned gifts can make a big difference in the lives of our parishioners and the community.

## **What tax deduction will donors receive for their Planned Gifts?**

Your tax benefits will depend on several factors including the type of gift, the time at which it is made, whether it is outright or deferred or has any income payments. We advise donors to consult with their own advisors before making a Planned Gift. In general, here are some guidelines:

- Outright gifts generate a charitable deduction that is generally based on their fair market value.
- Bequests do not generate current income tax deductions.
- Life insurance distributions are not tax deductible. If you have made Holy Comforter the irrevocable owner and beneficiary of a policy during your lifetime, you may deduct gifts that offset annual premium payments.
- The charitable deduction for a gift that returns income to you is based on the fair market value of the gift asset minus the present value of the income interest that you retain.

## **Will the Holy Comforter Foundation determine the value of gifts of tangible personal property for a donor's income tax deduction?**

No, this is the donor's responsibility. The IRS requires that donors of artwork and collectibles secure an independent appraisal of the items to establish fair market value. The appraisal has to be related to the gift – an insurance appraisal won't suffice.

## **Does the gift automatically go to the Holy Comforter Foundation?**

Only if you specify that it go to the Foundation. We encourage you to give your gift to the Holy Comforter Foundation which is set up to manage gifts outside annual giving for the long term future of the church. However, you may choose to give a gift to Holy Comforter Episcopal church for a designated purpose, or to the general fund for the Vestry to determine how the gift is used.

## **How does the Holy Comforter Foundation direct contributions?**

Consistent with its bylaws, the Foundation and Vestry jointly approve spending to the Mission and Ministry purposes of Holy Comforter or to Building and Grounds. Both purposes are necessary for the ongoing and changing spiritual needs of the community around us.

## **What is the Dove Circle?**

The Dove Circle is a way that we can recognize anyone who has given a Planned Gift. When you give a Planned Gift, you are automatically included. Your name may be listed when we recognize givers; however, you do have the option to remain anonymous.

## **Who do I contact to learn more?**

To start a conversation or to learn more about Planned Giving, contact our Foundation President, Joe Mynatt. Send an e-mail to: [plannedgiving@holycomfortercharlotte.org](mailto:plannedgiving@holycomfortercharlotte.org), or Joe's contact information can be found in Realm or from the parish office. A Planned Giving volunteer will also be glad to discuss how you can help ensure our parish's long-term financial health.