

Financial Vehicles for Charitable Giving

Donor Situation and Need	Appropriate Vehicle for Giving	Benefit for the Charity	Financial Outcomes for You and/or Your Heirs
Make an immediate gift.	Gift of cash – an outright gift. Simply write a check.	Funds are available for the charity's immediate use.	Charitable income-tax deduction.
Securities with low-cost basis have greatly appreciated, creating potential tax liability.	Gift of securities – an outright gift. Contribute long-term appreciated stock or other securities.	Convertible to funds that the charity can put to use immediately.	Charitable income-tax deduction as well as no capital gains tax.
Use tangible property that you no longer require, or are willing to part with, to help the charity.	Gift of tangible personal property – an outright gift (but typically the property should be related to the charity's mission).	The charity can immediately use the property or sell it to get funds for other use.	Charitable income-tax deduction based on the property's fair market value, if related to the mission.
Real estate (home or other property) with low-cost basis has greatly appreciated, creating potential tax liability.	Gift of real estate – an outright gift.	The charity can use the real estate or sell it to get funds for other immediate use.	Charitable income-tax deduction as well as reduction or elimination of capital gains tax.
Make a gift to the charity after your death, possibly reducing federal estate tax for your heirs.	Make a bequest – a planned giving vehicle (can be dollar amount, percentage of estate, or specific property).	Funds become available in the future for the charity's needs.	Your bequest is fully exempt from federal estate tax.
Your retirement plan assets may be subject to multiple taxation.	Gift of retirement assets – a planned giving vehicle.	The plan assets become available in the future for the charity's needs.	Lets you leave your heirs other assets that carry less potential tax liability.
You want to donate real estate to the charity, but be able to use the property for life.	Donating real estate with a retained life estate – a planned giving vehicle.	Value of the property becomes available for use by the charity in the future.	Gives you income-tax deduction and allows you to continue using the property.
Make a large gift with little cost to yourself.	Giving through life insurance – a planned giving vehicle.	Funds from the insurance policy become available in the future for the charity's needs.	Potential current income-tax deduction and possible future tax benefits.
Want an income stream with a hedge against inflation over the long term.	Charitable remainder unitrust (CRUT) – a planned giving vehicle. A charitable trust vehicle that provides you with lifetime income.	Funds become available in the future for the charity's needs.	Gives you income-tax deduction and pays you an income for life, while reducing federal estate tax liability.
Want a fixed life income without vulnerability to market risks.	Charitable remainder annuity trust (CRAT) – a planned giving vehicle. A charitable trust vehicle that provides you with lifetime income.	Funds become available in the future for the charity's needs.	Gives you income-tax deduction and freedom from market fluctuations, while reducing estate tax liability.
Reduce taxes on assets you pass to your heirs.	Charitable lead unitrust (CLUT) – a planned giving vehicle. A charitable trust vehicle that reverts to you or your heirs after the term of the trust.	Annual income that the charity can put to use during your lifetime, on an ongoing basis.	May reduce estate taxes, and you or your heirs receive assets after the term of the trust.
Reduce taxes on assets you pass to your heirs.	Charitable lead annuity trust (CLAT) – a planned giving vehicle. A charitable trust vehicle that reverts to you or your heirs after the term of the trust.	Annual income that the charity can put to use during your lifetime, on an ongoing basis.	May reduce estate taxes, and you or your heirs receive assets after the term of the trust.