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# Planned Giving

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**Presented by**  
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# Planned Giving

“Planned giving” is a term commonly used to describe a wide variety of giving vehicles that allow you to give to people, places and things during your lifetime and/or after your death, while meeting your current income needs and providing for your heirs.

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# Benefits

- Income tax charitable deduction
- Estate tax charitable deduction
- Avoid or reduce capital gains taxes
- Diversify investments
- Earn a higher investment yield
- Receive lifetime payments

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# Planned Giving Options

- Bequests
  - Beneficiary designation
  - Gift annuities
  - Charitable Trusts
    - Charitable Remainder Trusts
    - Charitable Lead Trusts
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# Bequests

- Make a gift in your will or trust
  - Specific dollar amount
  - Specific piece of property
  - Percentage of your estate
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# Charitable Gift Annuities

- Provides lifetime income
  - Contribute funds or assets
  - Get fixed annuity payments for the rest of your life
  - Immediate income tax deduction for a portion of the gift
  - Portion of each annuity payment is treated as a tax-free return of investment
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# Beneficiary Designation

- Designate as the beneficiary
  - Retirement accounts or other tax deferred accounts
    - Tax-exempt status



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# Charitable Remainder Trusts

- Designate beneficiaries to receive income from a trust for your lifetime(s), or for a term of years not to exceed 20 years
  - Payout amount: 5%-50%
  - At the end of the life of the trust, the balance is transferred to The Albany Academies
  - Two types:
    - Charitable Remainder Annuity Trust (CRAT)
    - Charitable Remainder Unitrust (CRUT)
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# Charitable Remainder Trusts

- Irrevocable
- May be created during lifetime or at death
- Inter vivos
  - Income tax deduction in the year of funding
  - Act as your own Trustee
  - Name yourself and/or spouse or any others as income beneficiaries
- Testamentary
  - Estate tax deduction
- Amount of deduction is based on the present value of the remainder interest that will be left

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# Charitable Remainder Trusts

- Charitable Remainder Annuity Trust
  - Amount calculated at the time of funding
- Charitable Remainder Unitrust
  - Variable payment calculated each year
  - Participate in appreciation of assets
  - Additional contributions

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# Example

## CRAT

- 5% payout
- \$100,000 (Year 1)
  - \$5,000 per year

## CRUT

- 5% payout
  - \$100,000 (Year 1)
    - \$5,000
  - \$200,000 (Year 10)
    - \$10,000
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# Charitable Remainder Trusts

- Tax exempt environment
  - Low-basis assets
  - Diversify
    - Trustee can sell appreciated assets and reinvest the full proceeds
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# Charitable Lead Trusts

- Designate The Albany Academies to receive a regular, fixed amount from a trust
    - Lifetime
    - Term
  - At the end of the trust, the remainder of the trust passes to your designated heirs
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# Questions??

- Let us help you choose the Plan that's right for YOU
- Complimentary consultations. Appointments last about an hour. 518-465-7581
- We *DO* make house calls

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