Permanent Giving Guide

Achieve your personal, financial and philanthropic goals with the VOA Northern Rockies Foundation

PLEASE KEEP THIS GUIDE FOR FUTURE REFERENCE

Foundational Giving

The VOA Northern Rockies Foundation exists to support VOA's mission to harness hope and re-shape futures for vulnerable populations through housing, community health services, veterans programs and more. Planned and permanent giving is a strategic way donors can create enduring support for our mission. With your help, we can guaranteed the long-term sustainability of this critical work for generations.

This guide presents an array of giving vehicles—from simple bequests to complex trusts—tailored to various financial situations and philanthropic goals. Each section explains the how, why, and who it may benefit, empowering you to make informed decisions.

Why Planned Giving Matters

- Perpetuates your values and charitable goals
- Enables impactful philanthropy beyond lifetime limits
- Often provides financial and tax advantages
- Allows donors to incorporate giving comfortably into personal financial planning

We strongly recommend consulting with your professional advisors to understand which strategies best fit your circumstances. The Foundation's team is also here to help clarify options and provide resources. The information in this guide is not intended to serve as tax, legal, investment or financial advice. Gift results may vary. Consult your personal financial advisor for information specific to your situation.

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Introduction

This booklet introduces you to key concepts in gift planning—a thoughtful way to support the causes and organizations you care about through creative and strategic giving.

Many people associate charitable giving with cash donations, mail appeals, or special events. Gift planning, however, opens the door to a wide range of options beyond these traditional methods.

Some planned gifts create new income streams that pay you, or you and your loved ones for life. Many planned gifts create significant tax benefits that may reduce or in some cases eliminate:

Income Taxes

Capital Gains Taxes

This booklet's contents and examples are only a glance at the possibilities and the potential you can achieve with a little planning. Call, email, or visit www.VOANRFOUNDATION.org to learn how these and other types of planned gifts can help you accomplish your philanthropic goals while also serving you and your family.

Charitable Bequest

A charitable bequest is a gift left to VOA Northern Rockies Foundation through your last will and testament or living trust. This gift can take several forms: a fixed dollar amount, a percentage of your estate, a specific asset, or the remainder after other provisions.

A bequest is one of the simplest ways to leave a lasting gift—it costs you nothing during your lifetime but helps create or grow your legacy by supporting the causes you care about most.

To ensure your wishes are fulfilled, be sure to use our exact name, contact information, and tax ID number so your estate administrator can easily identify us.

In this booklet, you'll find additional gift options that work alongside your will.

If you want to learn more about charitable bequests or need sample language for your attorney, we offer several free resources at www.voanrfoundation.org.

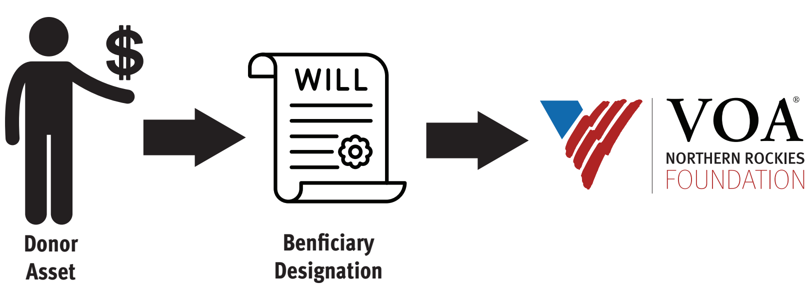
A Charitable Bequest Gives You:

Flexibility
You have the option to give a specific dollar amount, a percentage of your estate, or even a particular asset—such as funds from a retirement account. You can also leave a gift from what remains after other distributions are made.

Control
You maintain full ownership and control of your assets throughout your lifetime. You can use your assets as you wish, and you always have the freedom to modify your plans if your circumstances or intentions change.

Strategy
Your plans can include built-in options or conditions. For example, you might choose to make a charitable gift only if certain other events have taken place.

Savings
If your estate is subject to estate taxes, including a charitable bequest may reduce those taxes by providing a charitable deduction for your estate.



Ideal for…

Anyone. Everyone should have a will, and anyone can include a charity in it.

Objective

You want to make a future gift to our organization that provides you with flexibility if your needs change.

Solution

Establish a gift in your estate plan today while preserving your savings for tomorrow.

Benefits

Support the causes you care about while saving potential estate taxes and retaining assets to meet future needs.

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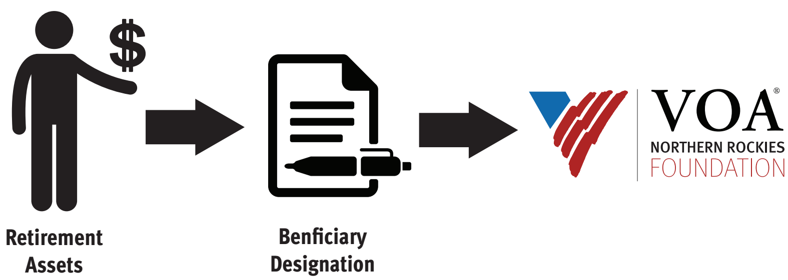
Beneficiary Designation

A beneficiary designation, or payable on death directive, is a form you complete for your checking, savings, CD, investment or other accounts. It tells your account administrator what to do with the funds when settling your estate. The administrator sends the funds to the people and/or charities you choose.



The administrator provides this form to you, often online. It usually only takes a couple of minutes to complete. As with a bequest, it is important for you to have our proper name, contact information and tax ID number if you wish to make us a beneficiary of the account.

You can do this for almost any type of financial account, including retirement accounts. Its benefits are fantastic, especially considering how easy it is.

A Beneficiary Designation gives you:

Simplicity

You fill out a straightforward form your financial institution gives you.

Flexibility

You can change your mind as often as you would like.

Ease

You can complete this form yourself and without creating or changing your will.

Ideal for…

Someone with funds held by financial institutions who wants to name a charity as the ultimate beneficiary.

Objective

You want simplicity and the ability to change your mind about who will receive your funds when you pass away.

Solution

Complete your beneficiary designation form naming the people or charities you wish to receive funds in your account when you no longer need them.

Benefits

Ease
The form takes moments to complete.

Options
You can change the form as often as you might change your mind.

Cost-free
It costs nothing to complete the form.

Control
Since the funds only transfer upon your passing, you maintain full ownership and use of the funds without any obligations.

Charitable Gift Annuity

When you fund a charitable gift annuity, we pay you for life at fixed, attractive rates.

> *A gift annuity is a contract between you and our organization where we agree to pay you or you and a loved one (or one or two people you choose) for life.*

We base our payment rates on the ages of the payment beneficiaries at the time of funding. We use rates established by the American Council on Gift Annuities (ACGA).

A CGA gives you:

Comfort

Payments continue in the same amount for life. After a lifetime of payments, any remaining funds automatically support our mission.

Payout Rate

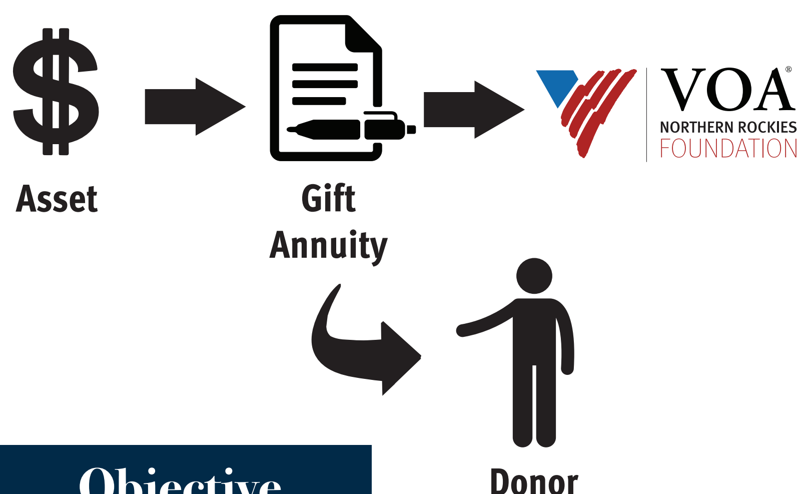
You receive an income tax deduction for part of the funding amount and capital gains benefits when you transfer stock to fund your CGA. Payments are also tax-advantaged.

Choices

Begin your payments immediately or defer the first payment at least one year to get a higher payment rate.

Ideal for...

Someone wanting fixed payments for life, especially if they have cash or appreciated property producing little or no income.



Objective

You want to receive fixed payments for life while making a gift to charity. Some tax savings would be a nice bonus.

Solution

Start a charitable gift annuity with us.

Benefits

Fixed Payments for Life
To one or two individuals.

Tax-Free Payments
A portion of each payment may be tax free.

Dependability
Your payments stay the same for life.

Tax Deduction
Receive an income tax deduction for part of the funding amount.

The IRA (individual retirement account) gives you several options for charitable giving, especially if the government requires you to take a required minimum distribution (RMD) from it.

Gifts from Your IRA

One of the easiest ways to give through your IRA is to name our organization as a remainder beneficiary. When you do, any remaining funds in your IRA will transfer to support our mission after your lifetime. For more details on how to set this up, please refer to the earlier section on beneficiary designations.

If you are subject to Required Minimum Distributions (RMDs), your IRA may also offer some unexpected options for giving, which we'd be happy to help you explore.

Gifts from Your IRA give you:

Options

Rather than take a RMD yourself, make a QCD to us. Pay no income tax on the transfer.

Tax Benefits

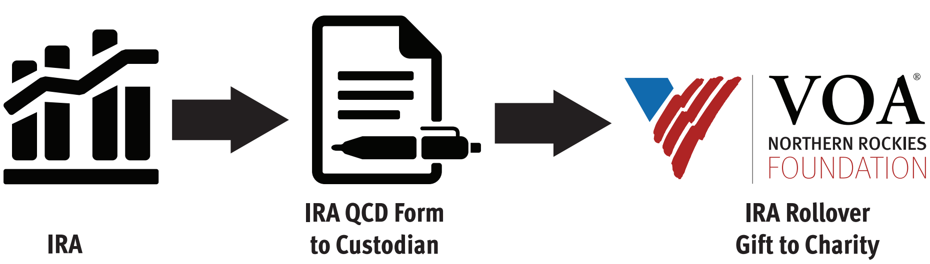
You will not receive an income tax deduction for a QCD; however, you will avoid paying income tax you would have paid if you had taken the distribution from your IRA.

Payments

Fund a CRT from your IRA and receive payments for life. Spread income taxes over your life.

If you are age 73 or older, the government requires you to withdraw a minimum amount from your IRA each year, known as a Required Minimum Distribution (RMD). Instead of taking this distribution yourself, you can instruct your IRA administrator to transfer the funds directly to our organization. This type of gift is called a Qualified Charitable Distribution (QCD) and can count toward all or part of your RMD, which adjusts annually.

You can begin making QCDs starting at age 70½—sometimes referred to as an IRA charitable rollover. To qualify, the funds must be sent directly from your IRA provider to us; you should not receive the distribution personally.



Objective

Avoid paying income tax on a distribution you probably do not want to take from your IRA.

Solution

Direct your account administrator to distribute funds to our organization to satisfy your RMD up to $105,000.

Benefits

Income Tax
Because you do not take the distribution yourself, you pay no income taxes on it.

New Income
Fund a CRT with your RMD (up to the limit that is adjusted each year) and receive attractive payments for life.

A donor advised fund (DAF) is a financial account you can use for your charitable donations. A DAF is similar to an investment account, but one with a special purpose.

Donor Advised Funds

Think of the DAF as its own charity. When you contribute funds to it, you receive an income tax deduction.

You can then use funds in your DAF to make charitable gifts when you want to make them. A DAF may only distribute to qualified, public charities, like us. The DAF cannot return funds to you.

You can establish a DAF with a sponsoring organization or financial institution. The institution invests the funds, and you advise it how you want the funds granted. You can only advise grants, not control them, although most institutions will follow your advice consistently. DAFs offer a range of benefits.

Gifts from Your DAF give you:

Timing

Make a gift this year for tax benefits by contributing to your donor-advised fund (DAF), then decide later which charities to support.

Privacy

Your DAF can give anonymously on your behalf.

Legacy

Add your children as co-advisors to foster family philanthropy and create a lasting legacy.

Record Keeping

Simplify tracking by giving all your donations through your DAF, which consolidates your records

Ideal for…

Someone wanting fixed payments for life, especially if he or she has cash or appreciated property producing little or no income.

Objective

You want to time and centralize your charitable giving while adding privacy and a sense of family legacy.

Solution

Set up a donor-advised fund, direct your gifts to it, and recommend distributions as you wish.

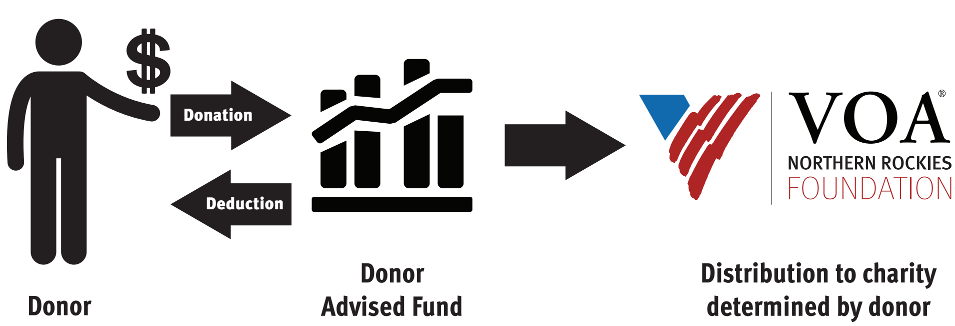
Benefits

Simplicity
Keep all your charitable dollars in one place.

Family
Involve children and grandchildren in recommending charitable distributions.

Anonymity
Use your DAF to give you privacy if you want to remain anonymous.

Growth
Your administrator invests your DAF to grow, which will allow you to give more, for longer.



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A life estate lets you make a gift of your home while retaining the right to live there for life—and receive an income tax deduction today. You deed your residence to our organization but keep lifetime use.

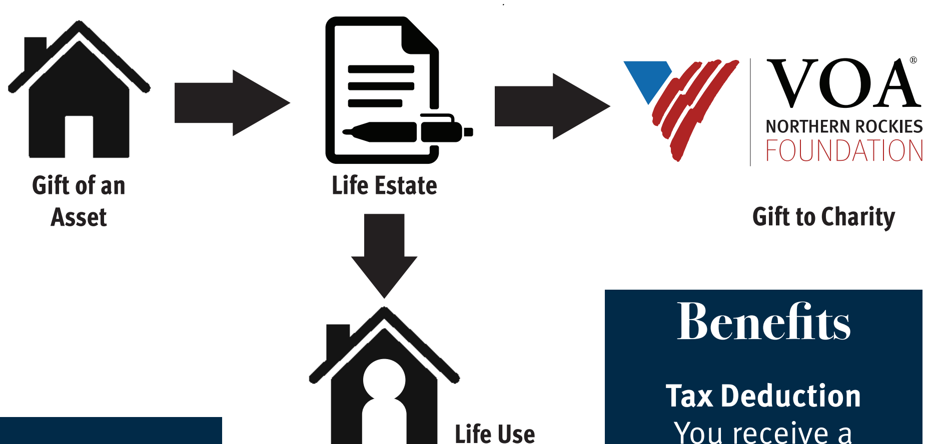
Life Estate Reserved

Ideal for…

Someone who wants to live in his or her home while receiving a current income tax deduction.

Based on a current appraisal of your property, we can tell you what your tax benefits might be. We will also enter into a maintenance, insurance and taxes (MIT) agreement with you.

Because the property will one day transfer to our organization, you receive an income tax deduction for the present value of the remainder interest when we agree to the life estate.



Objective

You want to leave your house or farm to us in your estate plan, but you want to continue to live on the property and have tax benefits now.

Solution

Deed a home or farm to us with a life estate reserved that gives you the right to use your home or farm for life.

Benefits

Tax Deduction
You receive a charitable income tax deduction for the present value of the remainder interest in the home or farm.

Preserves Lifetime Use
You are able to use and control the home or farm for the rest of your life.

Gifts Life Estate Reserved give you:

Continuity

The Reserved Life Estate typically lasts for the life of the donor.

Tax Benefits

You receive a current charitable income tax deduction.

Unrestricted

For this to work there can be no restrictions on the remainder interest.

Mortgage

It is possible for you to make a gift of a remainder interest even though there is a mortgage on your property.

MIT Agreement to Charity

You agree to pay the costs related to maintenance, insurance and taxes.

Bargain Sale

We can purchase your property below its fair market value or accept it as a gift, even if it still has a mortgage.

Ideal for…

If you own appreciated property and want to support us while receiving cash proceeds or debt relief.

A bargain sale is like a regular sale but with a sale price below the property's value. You transfer an asset to us and receive a tax deduction for the difference between the property's value and the sale price.

Objective

You want to sell property and gain tax benefits.

Solution

Sell your property to us at a discount and receive a tax deduction for the difference. Gifts of mortgaged property work similarly.

A Bargain Sale gives you:

Charitable Deduction

Receive a charitable income tax deduction for the difference between your property's fair market value and the cash we pay you in the bargain sale.

Relief

Avoid the hassles and expenses of ownership—like taxes and insurance—without the burden of listing or showing your property.

Income

Generate cash from the sale or relieve yourself of the ongoing ownership responsibilities.

Benefits

Immediacy
Sell your property now without the need to list or show it.

Bypass Gains
Avoid capital gains taxes on the portion you donate.

Tax Deduction
Receive an income tax deduction for the discounted portion of the sale.

Cash
Convert unproductive property into cash while supporting our mission and creating your charitable legacy.

A charitable remainder trust (CRT) pays income to your chosen recipients for life or for a set term, then distributes the remaining assets to our organization.

Charitable Remainder Trust

Ideal for...

Someone with cash or appreciated property worth at least $100,000 who desires income tax and possible capital savings.

You can fund a charitable remainder trust (CRT) with cash or appreciated property. The trust manages or sells the assets and makes payments to you or others. You have flexibility to set payment rates within defined limits.

A CRT gives you:

Flexibility

You decide who receives payments and for how long. CRTs also accommodate various asset types, including timberland, stock, rental properties, and more.

Fixed or Variable

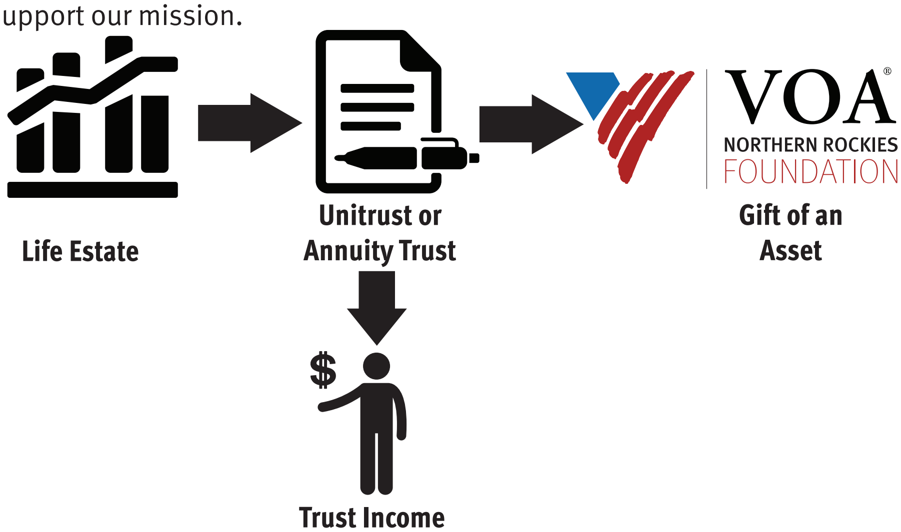
A charitable remainder annuity trust pays fixed annual amounts. A charitable remainder unitrust provides payments that generally vary based on the trust's annual value.

Taxes

Most payouts to beneficiaries are taxed as ordinary income and/or capital gains.

Philanthropy

After all income payments are made, the remaining assets transfer to us to support our mission.



Objective

You want to turn your appreciated, low-income property into an income stream without paying capital gains tax on its sale.

Solution

You transfer appreciated property to a charitable remainder trust, which sells the property tax-free and pays income to beneficiaries you choose for life or a set term. Afterward, the remaining assets support our organization.

Benefits

Bypass Gains
The trust sells property without paying taxes.

Income
The trust pays beneficiaries a fixed amount or a percentage of its value.

Tax Deduction
You receive a charitable income tax deduction when you fund the trust.

Blended Gifts

A blended gift combines one or more types of charitable giving, usually a planned and a major gift. It's a strategic way for you to support the causes you care about and to make your giving go further. Here are 8 common blended gifts:

1 Gift + Bequest

2 Endowed Gift* + Bequest

3 DAF + Bequest

4 IRA Gifts + Bequest

5 IRA Gifts + Testamentary Unitrust

6 Lead Trust + Bequest

7 Gift of Unitrust Income + Bequest

8 Gift + Testamentary Unitrust

A current gift allows you to see the impact of your generosity right away. Adding a planned gift ensures your support continues to make a difference in the future. The most popular planned gift is a charitable bequest, making the most common blended gift a combination of a current major gift and a charitable bequest.

**An endowed gift is invested so it can provide support year after year.*

Blended Gifts give you:

Control

You decide what works best and offers you the greatest benefits.

Flexibility

Design your plan with options that adapt to changing circumstances.

Family

Blended gifts often involve children, helping you pass on your values to future generations.

Good Feelings

Whatever gifts you choose, you can enjoy the satisfaction of making a positive difference for yourself and others.

Legacy

By supplementing your annual gifts with a bequest or other planned gifts, you increase your impact and ensure your legacy carries on the good work you've started.

Flexible

A blended gift lets you combine different giving methods to create a plan tailored to your unique needs and goals.

Benefits

Combine tax benefits and new income streams to build a plan that saves you taxes and provides additional financial advantages.

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