



## Including Charity in Your Will or Trust

Many charitably-minded people have arranged for a future gift to their favorite charity by remembering that organization in their will or trust. By utilizing one of the creative alternatives outlined below, many people find that they can provide adequately for their family -- and still include charity in their planning. If you are in the process of completing or updating your estate documents, and would like to consider a charity or several charities in your planning, you may find the information presented below to be of particular interest.

### A General Bequest

A general bequest provides that a specific amount of money, a percentage of your estate or a certain piece of property, be given to charity at the time of your death. For most people, a gift of a percentage of the remaining estate after taxes and debts have been satisfied is the most appropriate use of a general bequest. The following sample language illustrates how a general bequest to charity might be phrased in your will or trust:

*I give, devise, and bequeath 10% of my Estate, after taxes and debts have been satisfied, to MY FAVORITE CHARITY, a STATE nonprofit corporation, located in CITY, STATE.*

### A Residual Bequest

A residual bequest designates that the remainder or balance of your estate goes to a deserving charity or charities you respect and support -- after your will or trust has made gifts of money or property to your loved ones. The following sample language illustrates how a residual bequest to charity might be phrased in your will or trust:

*I give, devise, and bequeath all the rest, residue, and remainder of my property, real, personal, or mixed; after all personal bequests have been made, to MY FAVORITE CHARITY, a STATE nonprofit corporation, located in CITY, STATE.*

### A Contingent Bequest

A contingent bequest is useful when you want to make a gift to your favorite charity but you feel your heirs will need all the resources of your estate. Thus, a contingent bequest takes effect only in the event none of your heirs survives you. Though planning for this type of contingency may seem unnecessary, it is an important part of good stewardship. The



following sample language illustrates how a contingent bequest to charity might be phrased in your will or trust:

*In the event my wife and all of my children should die prior to the distribution of my estate without leaving descendants surviving such event, then, and in that event, the undistributed corpus of my estate shall be distributed to MY FAVORITE CHARITY, a NON-PROFIT CORPORATION, located in CITY, STATE.*

### A Bequest Following Income

A bequest following income provides a regular income stream from a trust to one or more loved ones for a specified term of years. After the term has been fulfilled, a percentage or all of the remaining amount can go to charity. This is often used in conjunction with a children's trust in a will. The trust can designate that the assets be held in trust until the youngest living child reaches a certain age and then be divided among the children and charity. The following sample language illustrates how a bequest following income to your favorite charity might be phrased in your will or trust:

*The Trustee shall hold the corpus of my Trust until my youngest living child reaches the age of twenty-two (22), at which time my Trustee shall then distribute fifty percent (50%) of my estate to my children in equal shares and fifty percent (50%) to MY FAVORITE CHARITY, a STATE nonprofit corporation, located in CITY, STATE.*

### The Give It Twice Bequest

A "GIVE IT TWICE" bequest is another variation of the BEQUEST FOLLOWING INCOME. With this arrangement, the assets are held in Trust for the children for a period of ten years after the second spouse's death. During this time, the Trustee distributes 10% of the value of the trust each year to the children as beneficiaries or 100% of the initial value of the Trust over the term. If the Trust earns close to 10% each year the children will receive the full value of the estate spread out over a ten-year period and then a designated charity will receive the full value after the ten-year period expires. The charity could even serve as Trustee of the Trust if you prefer. This helps insure that the children do not spend the inheritance too quickly and that charity receives a significant gift from the estate. The following sample language illustrates how a Give It Twice Bequest to your favorite charity might be phrased in your will or trust:



*The Trustee shall hold the corpus of my estate in Trust for a period of ten years following my death. During that time the Trustee shall pay out 10% of the initial value of the Trust each year to my children in equal shares. At the end of the ten year term, the Trustee shall distribute the balance of the Trust estate to MY FAVORITE CHARITY, a STATE nonprofit corporation, located in CITY, STATE.*

Many charities like to keep a record of those individuals who have included them in their will or trust so that they can keep these individuals updated on important issues and events within the organization. The following simple language has been provided for your convenience if you wish to notify the charities.

*Dear Sir:*

*I/we wanted to inform you that we have included your organization in our estate planning as a beneficiary under my/our will(s). We have a great appreciation of your organization and are pleased to be able to provide for you in this way.*

*Sincerely yours,*