

## GIVE ...BUT GIVE WISELY

Three ways to insure your charitable giving dollar does the most good



Did you know that the total amount of charitable gifts made in the United States is nearly \$300 billion? And by far the largest portion of this amount comes from individual giving – exceeding what is given by foundations and corporations!

Although this figure is significant, the amount that people give can easily overshadow any and all other aspects of charitable giving.

To provide some balance, our Good Steward looks not at how much we give, but how wisely we make our gifts. For any type of giving, whether to family or charity, is at its best when both heart and mind work together making gifts that are both generous, *and* wise.

Herein we offer three suggestions to make your giving as effective as possible.



### Suggestion #1: Know the Charity

Currently there are about 1.4 million nonprofit organizations in the United States, with thousands coming into existence each year. How do you choose which ones are most worthy of support? Are some better than others in achieving their goals? How do you know if your gifts are being used prudently?



### Suggestion #2: Check the Ratings

Check to see how an organization is rated by several charity watchdogs as they may not all agree. There are internet sites that score charities according to various criteria and rank the

*(continued)*

Please check the information you wish to receive and return this form in the enclosed envelope or write/call/e-mail us as shown below.

- Wills Kit
- CRS Gift Annuities
- Other \_\_\_\_\_

Name (s) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Date(s) of Birth \_\_\_\_\_ / \_\_\_\_\_

*Gift annuities are for one or two people age 50 and above.*

Legacy gifts can have a profound effect on the lives of those in greatest need. If you have remembered Catholic Relief Services in your estate plan, please let us know. If you have not, we hope you can consider doing so.

- I have remembered CRS in my estate plan.
- Send the proper wording for including CRS as beneficiary in my will, trust, insurance policy or retirement plan.

amount the charity directs to programs in relation to overhead costs. Some organizations are required to submit IRS disclosure form 990 which you may request or even find online (see note on Catholic Relief Services in box). Also, watch for financial publications like *Smart Money* that provide annual charity reviews.

These and similar watchdog sites provide ratings for the various charities:

**BBB Wise Giving Alliance (or give.org)**  
**Guidestar**  
**Charitywatch.org**  
**nptimes.com (see their NPT Top 100);**

Since some charities, including CRS, are exempt from filing IRS Form 990, they may not be listed on all watchdog sites, such as Charity Navigator.

### Doing Double Duty

Harold was uneasy leaving a large sum of money to a spendthrift son. When it came time to revise his will, he initially considered a trust for his son, but his desire to help an important cause led to another solution. He decided to set up a gift annuity in his will, with his son as annuitant. In so doing, his son would receive periodic payments for life, after which the gift reverts to the charity. Thus, one wisely made gift satisfied two of Harold's objectives: helping his son in a way that would discourage lavish spending, and supporting a cause that had special meaning to him.

### Philanthropy on a Fixed Income

Helen, 80, regularly gives to her church and one other charity. She wishes she can do more than make small donations, but her income prevents it. She then read an article that illustrated how a gift annuity could provide her with an 7.6 percent return – far more than she was receiving from her certificates of deposit. When her next CD came due, she transferred it to the charity. Helen made a very substantial gift and still gets monthly direct deposits from the gift annuity.



### Suggestion #3: Plan Your Giving

What does it mean to give wisely in terms of the actual gift itself?

To answer this, it's helpful to know at least something about what has come to be called "planned giving."

Planned Giving is basically any gift – big or small – that is thought out or thought through. It's a gift that results when you ask yourself, What kind of gift would work best for me as the donor, as well as for the person, charity or cause I want to support?

Below we offer a few examples to illustrate how thoughtful decisions can create the best gifts. Take note of how a planned gift can benefit not only the recipient, but also the donor.

### Beyond Writing Checks

Eleanor wanted to make a charitable gift in memory of her late husband. In the past, she never gave a second thought as to how to make her gifts as it was always by check. Recently, however, her accountant told her that since she owned appreciated stock, she would do better from a tax standpoint to donate stock instead of cash. He showed her how the after-tax "cost" of a gift is less when she donates stock because of the capital gains tax avoidance. She took his advice and easily transferred shares from her account to the charity.

*This newsletter is not intended to provide legal or financial advice. Always consult your professional advisor.*  
 © 2008 Catholic Relief Services



### Matching the Gift to the Beneficiary

Robert felt good about naming his daughters as beneficiaries of his IRA. Only later did he realize that these assets could be heavily taxed and greatly diminish the amount left to his children. After reading up on the matter, he decided to switch beneficiaries: he left the IRA to a tax-exempt charity, and gave his daughters other assets for which no tax would be due. In so doing, he gave both his children and the charity the optimal amount that could come from his estate.

Want more wise giving ideas? Please contact us as shown on reverse side.



## Combine charitable giving with wise planning

It is a joy to both give and receive with a charitable gift annuity. Why not consider what this gift arrangement can do for you.

CRS Gift Annuity can ...

provide you with an attractive rate of return, guarantee the rate with maximum safety, and allow you to help people in greatest need.

To learn more about a CRS gift annuity, complete and return this form or call us at the number shown on reverse side.

*Donors must be at least 50 years of age and we request a minimum contribution of \$5,000 to participate.*

### One and Two-Life Gift Annuity Rates

One-Life		Two Life	
65	5.7%	65 & 70	5.5%
70	6.1%	70 & 75	5.8%
75	6.7%	75 & 75	6.0%
80	7.6%	75 & 80	6.2%
85	8.9%	80 & 85	6.9%
90+	10.5%	85 & 90	7.9%