



HOW TO GIVE Charitable Remainder Trust

Giving through a charitable remainder trust allows you to receive income for the rest of your life, knowing that whatever remains will benefit your community.

HOW IT WORKS

- You transfer cash, appreciated stocks, real estate or other assets into an irrevocable charitable trust.
- We set up a fund in your name, in the name of your family or business or in honor of any person or organization you choose.
- Your charitable lead trust pays the community foundation an annual amount to build a charitable fund. You designate the trust to exist for a specified number of years or until your death.
- You also designate your family or anyone you choose as the final beneficiary of your trust.
- If you choose, you can stay involved in the good works your gift makes possible—working with our professional program staff to support the causes and agencies you care about most.
- We handle all the administrative details, issuing grant awards to charities in the name of the fund you establish. (If you prefer, grants can be made anonymously.)
- Your gift can be placed into an endowment that is invested over time. Earnings from your fund are used to make grants addressing community needs. Your gift—and all future earnings from your gift—is a permanent source of community capital, helping to do good work forever.



Spartanburg
County
Foundation®

A GIFT THAT PAYS

James Assad was retired and in his late seventies. The stocks he owned had high market values but they paid limited dividends. In addition to increasing his personal income, James was interested in giving to the community in which he had lived his entire life, so he decided to transfer the securities to a charitable remainder trust that eventually would create a fund with his local community foundation. “The income I receive from the trust is more than what I was collecting in annual dividends—by thousands of dollars. If I would have sold the stocks, I’d have paid a fortune in capital gains tax,” James said. He also receives an immediate charitable deduction and pays less tax on the trust distributions. “Plus, when I pass, I’ve done something good,” he added. In time, James’ gift will create the Assad Family Unrestricted Fund to address ever-changing community needs.

10 REASONS TO GIVE THROUGH THE COMMUNITY FOUNDATION

1 We are a **local organization** with deep roots in the community.

2 We have **broad expertise** regarding community issues and needs.

3 We provide highly **personalized service** tailored to each individual's charitable and financial interests.

4 Our funds help people **invest in the causes** they care about most.

5 We accept a wide **variety of assets** and can facilitate even the most complex forms of giving.

6 We partner with **professional advisors** to create highly effective approaches to charitable giving.

7 We offer maximum **tax advantages** for most gifts under state and federal law.

8 We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

9 We build **endowment funds** that benefit the community for decades and help create personal legacies.

10 We are a **community leader**, coordinating collaborative resources to create positive change.

HOW TO GIVE CHARITABLE REMAINDER TRUST

MORE BENEFITS

You may choose to receive a fixed income or one that changes with market conditions—income from the charitable remainder trust you establish may add up to more than interest and dividends you earned from holding the assets. You can use it to supplement your own lifestyle or that of someone other than yourself: a sibling, a dependent parent, a friend or a former employee.

A portion of the income may be a tax-free return of principal, while some is taxed as ordinary income or capital gains. The amount of income received depends on the payout rate selected by the donor. The tax deduction allowed depends on the age of the recipient, the payout rate and the discount rate (as determined by the Internal Revenue Service).

You can pick one of these options for your charitable remainder trust:

- Annuity trust pays you a fixed dollar amount.
- Standard unitrust pays you an amount equal to a fixed percentage of the net fair market of the trust and is recalculated annually.
- Net income unitrust pays you the lesser of the fixed percentage specified by the trust agreement or actual trust income; some net income unitrusts allow you to make up deficiencies in past years.
- Flip unitrust is a net income unitrust that converts to a standard unitrust upon a triggering

LET'S CONNECT

Contact us to learn more about the ways we can help you have a positive impact on the community and causes you care about.



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