



PORTAGE COUNTY PUBLIC LIBRARY FOUNDATION

Dear Potential Donor:

Thank you for your interest regarding planned giving to the Portage County Public Library Foundation.

Attorney Maurice G. Rice, a member of the Library Foundation Board made the following comments regarding planned giving:

Planned Giving consists of two aspects, Charitable Intent (Donation) and Tax Benefits.

The most frequently used and the best ways to accomplish planned giving consist of the following:

- A. Immediate gifts to an organization with their immediate benefit under the tax law, which the donor can claim on his or her tax return for that year.
- B. Specific bequests in one's will (which can have substantial benefits to larger estates where there are death tax issues). This is especially useful for those who feel a need to help an organization with which they have had an association during life and feel that organization and the people it serves would benefit from such a gift.
- C. Charitable Remainder Trusts – in this type of trust, the donor receives income from the trust during a set time frame, and after that term the balance is given to the organization.
- D. Charitable Lead Trusts – in this type of trust, the donor distributes income from the trust to the organization for a specific time frame. At the end of that time frame, the balance of the trust is usually distributed to heirs, often children or grandchildren.

These trusts can have income tax and/or estate tax benefits. Sometimes the use of such a trust and other planned giving vehicles are referred to as "win, win, lose" planning, since the donor and his or her family and the organization win and the IRS loses.

Again, these are the most common ways of making a planned gift. There are other vehicles which may be used, such as charitable giving through private foundations and donor-advised funds.

Mr. Rice concludes that the bottom line is that anyone thinking about such planned gift should consult with his or her attorney or other appropriate advisor.

Thank you for your interest in the Portage County Public Library Foundation.

Sincerely,

Bob Stack, Secretary