

NEW YORK STATE *Tribute* FOUNDATION  
PREMIER SOCIETY  
*A Planned-Giving Program*



CHARITABLE GIFT  
PLANNING GUIDE

At the end of life we are filled with sorrow,  
but there are many important decisions to be made.

At the end of life we look for ways  
to honor and celebrate our loved ones.

At the end of life people shy away from us,  
uncertain of the right words to say or how to ease our pain.

And through it all, the funeral service professional is there by our side.

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*The New York State Tribute Foundation is an affiliate of the New York State Funeral Directors Association, Inc.*

FUNERAL SERVICE TOUCHES all of our lives and is an integral part of every community. The people that make up this profession – funeral directors, funeral attendants, embalmers – are unlike any other. They stand beside us, guide us, and protect us during our most difficult and vulnerable times. They support us without regard to age, race, religion, nationality, or social background. They help us to not only deal with death, but to honor and celebrate life.

“Giving is about your heart and soul. It is about ensuring that your values live on and the causes you believe in continue to benefit future generations. Giving is about the mark you want to make on the world when you’re gone.”

— Wayne Baxter, Chair, NYS Tribute Foundation

But our society is changing and so, too, is the funeral service profession. Funeral service now faces more and more challenges that are changing the way we work – challenges like accommodating a growing need for service in the midst of a shrinking pool of qualified professionals . . . like providing respectful service to people from diverse ethnicities and religions . . . like responding to changing family demographics and values . . . and like preparing to respond in the face of mass fatalities and emergency situations.

The New York State Tribute Foundation (“Tribute” or “the Foundation”) was created to support the funeral service profession as it proactively meets these challenges and adapts to the needs of today’s society. Since its inception, Tribute has significantly impacted the funeral service profession through programs designed around its core values — *Charity, Knowledge, and Education*. Tribute has sponsored industry-defining research programs and created award-winning educational materials. It has provided scholarships to help qualified students enter the funeral service profession and given more than \$150,000 in grants. And, it has worked with government agencies to educate consumers and shape public policies.

Today Tribute is looking toward the future. With wise and thoughtful planning, we know that we have the power to continue to positively affect the funeral service profession. And, we look to you, as one who shares our values and beliefs in this profession, to stand with us. With a charitable gift to Tribute, you will be making a strong personal statement about the value of the funeral service profession and helping to ensure that these values – your values – endure into the future. As we look ahead, it is our hope that *by planning today, you will make a gift tomorrow that will change our future.*

## WHEN YOU GIVE, GIVE WISELY

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AT TRIBUTE WE BELIEVE that if you're going to give, you should give wisely. This means giving in a way that helps protect your family. This means giving in a way that ensures your values will live on through the institutions you trust. This means achieving your own financial and estate goals. **This means planned giving.**

Perhaps you've heard of the terms *planned giving* or *gift planning*. These terms are often used by lawyers, financial advisers, and charities. ***But really, what is planned giving?*** Planned giving is the process of strategically integrating your charitable-giving plans into your financial, tax, and estate plans. This process allows you to make donations in ways that not only benefit the charities you value, but also helps achieve your personal financial goals.

***And how can it work for you?*** Done correctly, planned giving can help you minimize your taxes and maximize your income and assets. For many, planned giving is a way to reduce or even eliminate tax liabilities (income, capital gains, or estate taxes). For some, a planned gift means you can make a larger donation than you could otherwise afford during your lifetime. For others, a planned gift might even provide an income stream or a higher investment yield. But for everyone, planned giving is a way to achieve your philanthropic goals in a way that also benefits you and your loved ones.

Of course, your own financial needs and those of your family come first. ***With planned giving, everyone wins*** because you provide for your needs now and the needs of Tribute in the future. Tribute has developed this *Charitable Gift Planning Guide* to help you understand the basics of planned giving and how this strategic-giving process can help you achieve both your philanthropic and financial goals. We encourage you to explore the many possibilities for creative planned giving and will be pleased to help you develop a plan that blends your philanthropic goals and desires with your financial needs and tax planning.

"... the great liver, the people who are fully self-actualizing and alive, are the great givers."

— Mark Victor Hansen

BEFORE WE REVIEW THE GOALS and benefits of Tribute’s planned giving program — the *Premier Society* — here is some background information about our mission, our guiding principles, and our accomplishments thus far.

## Our Mission . . .

Our mission is to act as a resource to further awareness of issues related to death and dying using the cornerstones of education, philanthropy, research, and consumer outreach. Built on the principles of charity and compassion, the Foundation will use its knowledge and resources to forge community-based partnerships. The Foundation will achieve its goals through public and professional education, scholarships, funding of research, professional development, and support of bereavement and end-of-life related programs.

“Goals are not only absolutely necessary to motivate us. They are essential to really keep us alive.”

— Robert H. Schuller

## Our Guiding Principles . . .

Tribute gives highest priority to programs that are in keeping with our guiding principles of *Charity, Knowledge, and Education*. In general, all Tribute programs:

- Foster a renewed and modern interest in scientific and educational programs for a better understanding of death, dying and bereavement;
- Aid in the development of new and existing agencies and institutions that provide progressive educational activities and scientific programs;
- Aid in the study and promotion of the highest ethical practices within the funeral service profession;
- Encourage and assist qualified candidates who aspire to a career in funeral service;
- Encourage and support research and scholarly activities that help to advance the understanding of death, dying and bereavement; and
- Foster collaboration and community-based partnerships between institutions, industry, and government to enable the sharing of people, ideas, and tools for policy planning and times of crisis.

## Our Past . . .

Organized in 2003 as a 501(c)(3) not-for-profit organization, Tribute is dedicated to supporting education, outreach, and research programs designed to advance the public's understanding of end-of-life issues. During our initial years, Tribute has achieved remarkable accomplishments, including:

### **Provided more than \$150,000 in aid through grants:**

- Raised and donated \$42,000 to aid Hurricane Katrina victims. Grants were made to mortuary science schools in impacted areas to directly assist students affected or displaced by the hurricane's devastation.
- Made contributions to the Nassau Community College Foundation, American Academy McAllister Institute, Celebration of Hope, and Arlington National Cemetery Commemorative Project.
- Sponsored the NYS Coalition for Aging Annual Achievement Award.
- Donated bereavement books (*September Space* authored by Dr. Alan Wolfelt) to teenagers attending a 9-11 camp.
- Created the Family Assistance Commission to assist families who lose loved ones in mass fatalities.
- Provided consumer education materials for community outreach events such as senior fairs, Veterans' service agencies, county Offices for Aging in New York, career days, county Red Cross Councils, and the Alzheimer Conference.
- Provided scholarships to qualified mortuary science students through the Nassau-Suffolk FDA Scholarship, the Samuel Q. Baxter Scholarship, the R. Barry McPhillips Scholarship, and the Tribute Scholarship.

### **Created award-winning consumer education materials and programs:**

- Developed a brochure entitled *Avoid Being a Victim of Crime During Your Time of Grief* in cooperation with the New York State Association of Chiefs of Police, Inc. This brochure is distributed to bereaved families to educate them about potential scams that target the bereaved.
- Developed the *Consumer's Guide Series Kit* to help funeral service professionals educate consumers and the public about issues related to death, funerals, and burials. Series topics include:
  - *Funeral Costs and Payment Options*
  - *Preplanning and Prefunding a Funeral*
  - *Funerals and Burials*
  - *When a Veteran Dies*
  - *Saying Goodbye to a Beloved Pet*
  - *Funeral Etiquette*
  - *Grief After Loss*
  - *Creating Lasting Memories*
  - *A Career in Funeral Service*

- Developed numerous consumer literature pieces devoted to educating the public about end-of-life issues including:
  - *When a Death Occurs*
  - *Personal and Financial Affairs Checklist*
  - *Consumer's Checklist for Prefunding a Funeral*
  - *Sorting Out a Life*
  - *Preplanning Prefunding a Funeral – Why and How*
  - *Transitions – A Consumer Guide to End-of-Life Issues and Funerals*

### **Developed professional education materials and programs:**

- Developed the Career Recruitment Program to educate high school students, faculty, and advisers about career opportunities that exist in funeral service. This also included development of the *Searching for a Career That's 6 Feet Above All the Rest* brochure and poster.
- Produced and presented a satellite seminar on organ and tissue donation resulting in the development of a companion textbook and DVD entitled *Funeral Director's Guide to Organ and Tissue Donation and Restoration*. Textbooks and DVDs are distributed to mortuary science schools, the Funeral Ethics Association, and other state associations.
- Published a catalog to showcase all educational materials to help funeral service firms assist consumers and the public.

### **Implemented research programs:**

- Developed partnerships with state associations and launched the “first-ever” career retention study for funeral professionals. The information obtained during the three-year Workforce Study will help us track the retention and attrition of funeral home staff; identify the specific reasons that funeral home staff exit the industry; explore methods to improve funeral service working conditions; and identify ways the funeral service industry can change to retain qualified staff.
- Researched and documented funeral protocols for various religions and published a brochure entitled *Religious Funeral Etiquette – A Guide for Consumers*.

## OUR FUTURE AND OUR CHALLENGE

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NOW TRIBUTE IS LOOKING TOWARD and planning for the future. We will continue to support the funeral service industry and funeral professionals. We will work to expand our education, outreach, and research programs, all with the goal of advancing awareness of issues related to death and dying.

Here are a few of the ways your planned gift will make a difference for Tribute:

- Support the scholarship program to enable Tribute to assist qualified students to enter the funeral service profession;
- Support new educational materials that help consumers prepare for and deal with end-of-life situations;
- Initiate new research programs to help understand the funeral industry.

To achieve these goals, it is essential that Tribute has sufficient financial resources to undertake these activities. With the launch of its Planned Giving Program, Tribute is committed to raising \$500,000 by the year 2012.

*Our goal is challenging, but achievable.* This Planned Giving Program will assist donors who are interested in supporting the work of Tribute and, by extension, the funeral service industry, through planned-giving vehicles. The purpose of this *Charitable Gift Planning Guide* is to provide you with the information you need to understand planned giving techniques and how these giving techniques can be beneficial to you and your loved ones.

A gift to Tribute is an opportunity for you to define your legacy and perpetuate the funeral service profession. With your help, Tribute will continue to act as a resource to develop educational programs, financial scholarships, industry research, and other special projects that advance the understanding of end-of-life issues.

## YOUR GOALS, GIFTS, AND BENEFITS

WHEN PEOPLE CONSIDER GIVING to support Tribute, they often think of making a pledge or writing a check. But more and more, we are receiving gifts that are structured in a way that can also help you achieve your overall financial goals. Many of the common planned-giving tools may be quite familiar to you – bequests, trusts, life insurance policies, and annuities. This chart can help you select a planned gift vehicle that is right for you depending on your individual plans and goals.

Your Gift Giving Goal	How to Make the Gift	The Benefits You'll Receive
Make a quick and easy gift.	Give an outright contribution of securities or personal property.	<ul style="list-style-type: none"> <li>• Receive an income tax deduction for the value of the gift.</li> <li>• Avoid capital gains taxes (if the gift is for appreciated securities).</li> <li>• Make an immediate impact on Tribute.</li> </ul>
Defer your gift until after your lifetime.	Make a bequest by naming Tribute as a beneficiary of your will.	<ul style="list-style-type: none"> <li>• Your gift will not affect your assets during your lifetime.</li> <li>• The donation will be exempt from federal estate taxes.</li> <li>• The bequest can be altered at any time.</li> </ul>
Avoid capital gains taxes.	Donate a gift of appreciated property (securities, real estate).	<ul style="list-style-type: none"> <li>• Receive an immediate income tax deduction.</li> <li>• Avoid capital gains taxes.</li> <li>• Afford a larger gift to Tribute.</li> </ul>
Avoid double taxation on retirement plan assets.	Name Tribute as a beneficiary of your retirement plan assets (IRAs, 401(k), 403(b), Keogh plans).	<ul style="list-style-type: none"> <li>• Assets will be distributed to Tribute after death, allowing you to continue to control assets during your lifetime.</li> <li>• Make a larger gift than you might otherwise consider.</li> <li>• Allow heirs to avoid double taxation that may significantly reduce the value of retirement assets.</li> </ul>
Create a long-term gift that doesn't reduce your estate.	Make Tribute the owner and beneficiary of a paid-up or new life insurance policy.	<ul style="list-style-type: none"> <li>• Increase your ability to make a significant gift to Tribute.</li> <li>• Make a large gift at little or no cost to you.</li> </ul>
Secure a fixed, and often increased, income.	Create a charitable remainder annuity trust that pays you a fixed income annually and leaves the remainder of the trust's asset to Tribute after trust termination.	<ul style="list-style-type: none"> <li>• Receive a reliable, fixed income for life.</li> <li>• Receive an immediate income tax deduction.</li> </ul>
Protect your asset's value against long-term inflation.	Establish a charitable remainder unitrust that pays you and your beneficiary a variable income stream for life, then leaves the balance to Tribute after trust termination.	<ul style="list-style-type: none"> <li>• Receive an annual income for life that has the potential to increase.</li> <li>• Receive an immediate income tax deduction for the amount transferred to the trust.</li> </ul>
Reduce gift and estate taxes on assets that are to pass to your heirs.	Create a charitable lead trust to pay an income to Tribute for a finite term. The assets will pass to your heirs after trust termination.	<ul style="list-style-type: none"> <li>• Reduce the size of a taxable estate.</li> <li>• Keep property in the family.</li> <li>• Often reduce gift taxes.</li> </ul>

## Give a Gift through a Bequest

*A gift through your will lets you support Tribute without diminishing assets during your lifetime.* A bequest is the easiest and most frequently made type of planned gift. For many donors, a bequest is the most realistic way to make a substantial contribution to Tribute without tapping into any current assets. Any asset, including cash, securities, real estate, and tangible personal property, may be gifted through your will. When you leave a bequest, you can designate a specific gift amount, a percentage of your total estate, or a share of the residual after gifts to heirs. This gift can help you:

- Make a major gift while preserving your assets during life.
- Maintain control of your assets during your lifetime.
- Reduce or eliminate federal estate taxes.

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*To give a gift through a bequest:* There are several types of bequests that govern how your estate will be distributed. Please contact Tribute or visit our website – [www.tributefoundation.org](http://www.tributefoundation.org) – for sample language that you can include in your will to make a bequest.

### For example:

Paul and Mary decide to gift a portion of their estate to Tribute. Their estate value is estimated to be approximately \$1,000,000, and they would like to leave 5% (\$50,000) to Tribute. They instruct their attorney to add a codicil to their will and then notify Tribute of the gift. This bequest will allow Paul and Mary to make a sizeable donation to Tribute, will reduce the federal estate tax owed, and will let them retain full control of their assets during their lifetime. This gift to Tribute costs Paul and Mary nothing during their lifetime.

## Give a Gift of Securities

*A gift of appreciated stocks or other assets lets you support Tribute while also reducing income and capital gains taxes.* When you donate appreciated securities to Tribute, you will not be liable for any capital gains taxes. If you gift appreciated securities held longer than one year, you can deduct their full fair market value regardless of what you originally paid for them. Conversely, if your securities have decreased in value, you can sell those securities and donate the proceeds to Tribute. In this way, you'll establish a tax loss and also be able to claim a charitable income tax deduction for the cash gift. For gifts of securities, your gift is fully deductible for up to 30% of your adjusted gross income and may be carried forward for up to 5 years. The benefits associated with gifts of securities may include:

### For example:

Paul and Mary purchased \$1,000 worth of ABC Company stock in 1975. Today the stock value has appreciated to \$10,000. If they sell that stock, they will pay tax on the \$9,000 capital gain. If they gift this stock to Tribute, however, they not only avoid capital gains tax (\$1,350 in tax assuming a 15% capital gains tax), but they are also eligible to take a charitable deduction. Assuming the gift is fully deductible, this will give them a \$3,000 tax deduction (30% of their \$10,000 donation), which reduces the cost of the gift to \$7,000. This \$10,000 gift to Tribute "costs" Paul and Mary less than \$5,650 to make.

- A charitable income tax deduction equal to the market value of long-term securities.
- Avoidance of capital gains taxes on contributions of appreciated, long-term stocks.
- Maintaining your current cash flow.

*To make a gift of securities:* If you have physical possession of stock certificates, you can send the certificates (unendorsed) to Tribute in one envelope. In a separate envelope, send the signed stock powers with a signature guarantee from your bank. If you do not have physical possession of the stock certificates and your broker has the securities in an electronic or "street" account, then instruct your broker to transfer the stock electronically to Tribute. Contact our office before transferring securities to Tribute.

**Note:** You should not sell the stock. To receive the most advantageous tax treatment, the stock should be transferred directly to Tribute!

## Give a Gift of Life Insurance

*A gift of life insurance can allow you to make a substantial donation from a "hidden" asset.* Donors often struggle between a desire to achieve their philanthropic goals and the need to preserve their estates. A gift of life insurance is an easy, but often overlooked, way to support Tribute. When your life insurance policy was originally purchased, you most likely had a specific need in mind (such as providing for your children or protecting your business interests). As time passes, many donors find they no longer

need coverage for its original purpose. By transferring ownership of your life insurance policy to Tribute, you will be eligible for a charitable income tax deduction based on the policy's value and/or premiums paid. Your gift of life insurance can allow you to:

- Take an immediate deduction for the cash value (and future premiums paid) of the transferred policy.
- Outlay little or no current assets while making a sizeable gift in the future.
- Retain the value of your estate for you and your heirs.
- Reduce or potentially eliminate estate taxes if Tribute is named as owner of the policy.
- Make a larger gift to Tribute than you might otherwise be able to make.
- Transfer proceeds of the policy directly to Tribute as insurance policies are not subject to probate.

*To make a gift of life insurance:* A gift of life insurance to Tribute can take three forms:

- Name Tribute as owner and beneficiary of a fully-paid policy. Since this type of gift is irrevocable, you will be entitled to a charitable income tax deduction equal to the policy's value.
- Name Tribute the owner and beneficiary of a policy on which you are still making payments. The policy's value, as well as your annual payments, are both tax deductible.
- Name Tribute as beneficiary of a policy but retain ownership for yourself. While this type of gift does not result in income tax deductions, it can help reduce your estate taxes.

To gift your life insurance policy to Tribute, contact your insurance carrier and request a beneficiary change form. This form will allow you to name a new policy owner and/or change the beneficiary designation. Be sure to notify Tribute after the beneficiary designation is complete.

For example:

John transfers ownership of a paid-up life insurance policy to Tribute. This policy has a face value of \$100,000 and a cash value of \$40,000. With transfer of ownership, John receives a donation receipt for \$40,000, which results in a tax credit of \$18,000 (assuming a combined tax credit of 45%). Instead, if John simply makes Tribute the beneficiary of this policy, the proceeds will transfer to Tribute upon his death. At that time his estate will receive a donation receipt for the \$100,000 value, which may make a substantial tax credit on his final return.

## Give a Gift of Retirement Assets

*A gift of retirement assets can provide a significant donation to Tribute using assets that will be heavily taxed when transferred through your estate.* Many individuals have found that a large portion of their estates are made up of retirement assets like IRAs or 401(k) accounts. Yet, because of extremely high tax rates, these assets are among the most expensive to pass to your heirs. In addition, the income received by an heir is fully taxable when received (commonly referred to as double taxation). This double taxation can mean that your heirs could lose well over 50% (and maybe as much as 70% or 80%) of the value of your retirement assets. Many people would prefer to see their retirement assets go to a charity rather than seeing them dramatically reduced by taxes.

By naming Tribute as the beneficiary of your retirement plan, you will maintain complete control over the assets during your lifetime. When the plan passes to Tribute, it will be free from both estate and income taxes. By naming Tribute as the beneficiary of your qualified retirement plan asset, you can:

- Make a significant contribution to Tribute that you might otherwise not be able to make;
- Reduce or potentially eliminate estate taxes that can dramatically diminish the size of your estate; and
- Spare your heirs from future income taxes associated with transfers from the retirement assets.

### For example:

Paul and Mary accumulate \$100,000 in retirement plan assets. They consider transferring these assets through their estate. However, because of taxes the amount of money that will be transferred after taxes could be less than \$35,000! They also consider leaving the remainder of their retirement assets to Tribute, either as a simple bequest or by naming Tribute as beneficiary.

	<b>Traditional Transfer Through their Estate</b>	<b>Gift to Tribute Through a Bequest</b>	<b>Gift to Tribute as a Beneficiary Designation</b>
Retirement Plan Balance	\$100,000	\$100,000	\$100,000
Estate Taxes	-50,000	0	0
Net of Estate Taxes	50,000	100,000	100,000
Income Taxes*	-15,000	-30,000	-0
Total Bequest	\$35,000	\$70,000	\$100,000

\*Assumes an estate tax rate of 50% and an income tax rate of 30%.

Paul and Mary realize that their assets will be maximized by naming Tribute as beneficiary. They notify Tribute of their intent.

*Naming Tribute as beneficiary of your retirement plan:* To name Tribute as the beneficiary of your retirement asset, request a beneficiary designation form from the financial institution that manages your plan. Be sure to check with the plan administrator to determine if there are any restrictions on designating a charity as beneficiary. Also, double check to determine if your spouse must consent to the designation. Failure to obtain a spousal consent, if required, could result in the disqualification of the beneficiary designation. Be sure to submit a copy of the beneficiary designation form to the plan administrator, the individual responsible for your financial affairs, and Tribute.

## Give a Gift through a Charitable Remainder Trust

*A charitable remainder trust is a popular way to make a gift to Tribute while ensuring a lifetime income stream for yourself or your beneficiary.* With a charitable remainder trust, you'll transfer ownership of certain assets to a trust. (Trusts are most commonly funded with cash, bonds, real estate, or securities.) When establishing this trust, you will establish what income levels you will receive (generally 4-7% return) and you will receive that income from these assets throughout your life or for a predetermined length of time. Upon termination of the trust, the assets remaining in the trust will then be transferred to Tribute and used according to your specified wishes.

There are two types of charitable remainder trusts: an annuity trust and a unitrust. A charitable remainder *annuity trust* pays you a fixed, guaranteed dollar amount, which is determined at the time the trust is established. A charitable remainder *unitrust* pays the donor a variable, predetermined percentage of the fair market value of the trust's assets, which is revalued annually. With a unitrust, if the trust's assets increase, the donor receives a larger payment, providing a hedge against inflation. By establishing a charitable remainder trust, you may benefit by:

- Receiving an income stream for as long as you and your beneficiary live or for a specified number of years;
- Making a sizeable donation to Tribute after termination of the trust;
- Receiving an immediate income tax deduction for the amount of assets transferred to the trust;
- Avoiding capital gains tax on appreciated property transferred to the trust;
- Reducing probate and estate tax fees associated with the assets transferred to the trust.

### For example:

John and Mary own stocks (originally purchased at a cost of \$10,000) that have a current market value of \$100,000. These stocks pay dividends of \$2,000 a year (2% of market value). They establish a charitable remainder annuity trust and transfer ownership of the stocks to the trust. The trust is established with a payout rate of 7%, returning a yearly income of \$7,000 to John and Mary, increasing their gross income by \$5,000. They also receive an immediate charitable tax deduction to reduce their income tax liability. If John and Mary had decided to sell their stocks, however, they would have faced a capital gains tax on the appreciated value of \$90,000. At a federal capital gains rate of 15%, their tax liability would have been \$13,500.

*To establish a charitable remainder trust:* Tribute will be pleased to consult with you and/or your adviser about charitable remainder trusts and answer questions about what types of charitable giving may benefit you. If you are considering establishing a charitable remainder trust, we recommend you also discuss this subject with your financial, tax, and legal advisers.

## Give a Gift through a Charitable Lead Trust

*A charitable lead trust allows you to provide an income stream to Tribute for a set period of time; and after termination of the trust, ownership of the assets transfers to your heirs.* You transfer assets to the charitable lead trust for a set number of years and designate Tribute as income beneficiary.

There are two basic types of charitable lead trusts. A charitable lead *annuity* trust pays a fixed amount to Tribute annually for the term of the trust. At the creation of the trust, both the payout amount and the trust term are established. A charitable lead *unitrust* pays out a fixed percentage of the value of the trust's assets to Tribute. This amount will vary each year depending on the value of the trust's assets.

A charitable lead trust is most commonly funded with cash, bonds, real estate, or securities. Charitable lead trusts are popular to reduce or eliminate the gift tax cost of transferring wealth to your heirs. In addition, any asset appreciation that occurs while the assets are owned by the trust is not subject to capital gains taxes. Charitable lead trusts are particularly advantageous for those facing large estate taxes. By establishing a charitable lead trust:

- You may be eligible for a federal estate tax deduction equal to the estimated value of the annual trust payments to Tribute;
- Asset appreciation during the term of the trust is not subject to capital gains taxes; and/or
- Asset appreciation during the term of the trust is not subject to additional gift or estate taxes.

### For example:

John and Mary establish a \$250,000, 20-year charitable lead trust and name Tribute as income beneficiary. The trust agreement specifies that Tribute will receive 7%, or \$17,500 annually. During the 20-year trust term, their gift to Tribute will amount to \$350,000. At the end of the 20-year term, the principal will revert to their son. For IRS purposes, the transfer of assets to their son occurs on the day of the gift. Only \$63,700 is considered a taxable gift to their son, not the full trust value of \$250,000, thus reducing his gift tax due. In addition, any appreciation to the trust's assets will be passed to their son completely free of estate taxes.

*To establish a charitable lead trust:* Tribute is ready to consult with you and/or your adviser about charitable lead trusts to help you decide what forms of charitable giving may benefit you. However, charitable lead trusts are fairly complex gifts, and we highly recommend that you consult with an attorney and financial adviser when considering this kind of gift.

Your tax adviser can provide more information about these and other charitable-giving strategies and can help you determine which methods are most appropriate for your situation. The Tribute Foundation recommends that you consult with independent tax, financial, and legal advisers before making any planned gift.

ALL GIFTS THAT WE RECEIVE ARE IMPORTANT to continue Tribute's good work. The *Premier Society* was established to honor and show appreciation for those who support Tribute through a planned gift. The generosity of *Premier Society* members has enabled us to continue to provide research and education programs that benefit the funeral service profession.

In order to qualify for *Premier Society* membership, you can:

- Make a bequest to Tribute through a will or living trust;
- Name Tribute as the beneficiary of a life insurance policy or retirement plan; or
- Establish a charitable remainder or lead trust.

Your benefits of membership will include:

- The satisfaction of supporting an organization that supports the funeral service profession;
- Providing a meaningful legacy for future generations;
- Permanent name recognition on Tribute's Tree of Distinction located at the NYSFDA headquarters in Albany, NY;
- A custom *Premier Society* pin;
- A framed *Premier Society* donor certificate;
- Recognition in the NYSFDA and Tribute Annual Reports;
- Recognition on the NYSFDA and Tribute websites;
- Invitations to all of Tribute's recognition and educational events; and
- Personal assistance with your charitable and estate planning questions.

NOTE: All public recognition of your donation will occur only with your prior written approval. It is important to understand that you can choose to be an anonymous member of the *Premier Society* if you so desire.

To become a member of the *Premier Society*, simply notify us regarding the nature of your bequest or charitable gift. Some individuals choose to complete a donation form or share a copy of the specific section of a will or trust document to ensure that their wishes will be carried out correctly.

We look forward to welcoming you as a member of the *Premier Society*.

### Are my gifts tax deductible?

The New York State Tribute Foundation, Inc., is a non-profit, 501(c)(3) tax-exempt organization. As such, all gifts made to Tribute are tax deductible as prescribed by law. In addition, gifts made through bequests or other planned giving vehicles can provide other considerable tax benefits for donors. After your gift is received by Tribute, you will receive an acknowledgement and receipt of the donation for tax purposes.

### Isn't planned giving only for the wealthy?

Planned giving is not only for the wealthy. By giving through the *Premier Society*, you can take advantage of tax and income benefits that are applicable to people of all income levels. You will not only perpetuate your lifetime commitment to the funeral service profession, but also maximize your assets for your family and heirs. Planned giving is a wonderful way to make a lasting difference to a profession you value.

### Isn't a will only for older people?

Absolutely not. All adults, young or old, single or married, with children or childless, need a will. Even married couples who own most of their assets jointly need separate, individual wills. A will allows you to ensure that your wishes are met after death. Without a will, your property and finances will be settled according to the State's decisions, regardless of your family's wishes.

## Can I designate how my gift to Tribute will be used?

While Tribute will ensure that every gift is used to its potential, you can also specify what impact you would like your gift to have. Two of the most popular gift designations include our scholarship and research programs. We can offer guidance, but it is ultimately your decision which Tribute programs you would like to support.

## Should I inform Tribute if I have included it in my will?

We recommend that you notify Tribute of any planned gift. This will allow us to not only show our appreciation for your generosity but also include your support when planning for upcoming foundation programs. Donors who make a planned gift to Tribute will also receive recognition as a *Premier Society* member. Donor notification forms are available online at [www.tributefoundation.org](http://www.tributefoundation.org) or you may request the form by phone or email.

## I donate to Tribute annually. How does this differ from planned giving?

Planned giving is described as a gift that is carefully considered by the donor in light of estate or financial planning. It generally involves a staff person, a qualified volunteer, and/or the donor's legal and financial advisers. Annual giving is most generally a check sent in response to an annual appeal or a gift of remembrance.

Tribute is available to assist you in achieving your tax, estate planning, and charitable-giving objectives. Because this is such an important planning process, we encourage you to contact us to discuss your options before making any planned giving commitment. We would also be pleased to speak with your personal representatives, either legal or financial, to discuss the Planned Giving Program.

For more information about the New York State Tribute Foundation and the *Premier Society* Planned Giving Program:

Phone: (800) 291-2629

Email: [tribute@tributefoundation.org](mailto:tribute@tributefoundation.org)

Website: [www.tributefoundation.org](http://www.tributefoundation.org)

PLAN TODAY  
GIVE TOMORROW  
CHANGE OUR FUTURE



*The New York State Tribute Foundation is an affiliate of the New York State Funeral Directors Association, Inc.*

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