



## A Gift in Your Will

It's no wonder that 80% of all planned gifts to Canadian charities come through people's wills. This can be one of the easiest, simplest and least expensive ways of making a special gift to the church. In this article we'll take a look at the steps involved in making a gift through your will.

A will is used to distribute your earthly possessions. Money, investments, real estate, collections and other personal property may be the subject of a gift. Cash is often most useful to a church because it is needed to carry out the organizational mission. Other forms of property are frequently, although not always, converted to cash and then either invested or spent after they are received by the church.

The steps in establishing a gift in a will are fairly straightforward:

1. **Determine what will be given.** Cash is always appreciated, but gifts of appreciated property (investments, real estate, valuable collections of stamps, coins or art etc.) can be beneficial to you from a tax point of view. It is particularly advantageous to donate appreciated securities rather than to sell the investment and donate the proceeds.
2. **Choose an amount.** With gifts of money you can specify an amount, a percentage or a number of shares in the "residue" of your estate (what remains after debts and other gifts are discharged). Some people "adopt the church"; that is, they give a share to the church equal to what they give each of their children. Another choice is to make the church a contingent beneficiary. That gives to the church the gift earmarked for any named heir who predeceases you. If you are giving real or personal property, choosing an amount usually isn't an issue. By naming the item you are also determining the value of the gift.
3. **Select the beneficiary(ies).** There are different needs and opportunities within all expressions of the church — congregational, synodical, national, institutional — and Lutheran Planned Giving will help you make a gift to any of them. Whatever your choice, it is critically important to use the accurate corporate name of the beneficiary. Failure to get the name correct can result in long and expensive court proceedings to determine the rightful beneficiary. In cases where the will says one thing but you meant another, your real intentions may not be carried out.
4. **Decide on designations and restrictions.** You can choose to leave your gift for a specific purpose. Alternatively, by not designating a purpose you allow the governing body to use your gift where it's needed the most. An endowment is a fund where the money is invested and the principal is preserved in perpetuity, while only the income is spent. This ensures that there will always be income to support the designated purpose. If you don't restrict the gift in this way, both the principal and the income may be spent as they are needed.
5. **Take your list of decisions to your lawyer.** Your lawyer will convert your choices into the language of a will. Make sure you select a lawyer whose advice you trust, and then take that advice.