



Planned Giving

After deciding to make a planned gift, the next step is choosing the method of giving will most benefit you and AITC.

1. Giving through your will –

A bequest is a wonderful way to continue the support for AITC that you started during your lifetime. You can make a cash gift simply stating the amount you wish to leave for AITC, stating a certain percentage of the estate go to AITC or that AITC receive the estate residue, the amount left over after all the other beneficiaries have received their bequests. You can also make a gift of property through your will. You can designate stock, life insurance or real estate to be passed on to AITC.

2. Giving property –

A gift of cash or securities may not be practical at this time. Your personal residence, farm vacation home, commercial property or parcel of undeveloped land may be more suitable. A present or future gift of real estate offers you the opportunity for valuable income tax and estate tax savings. When you make an outright gift of real property, you obtain an income tax deduction equal to the property's full fair market value instead of the lower cost basis. By gifting real property you can: reduce the cost of making the gift, free cash that would have gone to pay taxes and maintenance, avoid tax on the property's appreciation and reduce your taxable estate. You can even make the gift and continue to live in your home by deeding a remainder interest in your property to AITC.

3. Giving life insurance –

When you purchased your life insurance it was probably because your estate was small and you wanted to make sure your beneficiaries would be cared for in your absence. Your situation is probably much different today. You may no longer need those policies to provide for your heirs. Life insurance policies may be the most sensible way to make a gift to AITC. Consider the benefits:

- You can get a tax deduction by naming AITC as beneficiary and assigning ownership of the policy to us.
- Your income isn't cut. A gift of life insurance has no impact on your current income.
- Your cash flow may increase. When you pay the premiums on a policy donated to AITC, you may claim the premium amount as a deduction.
- Your gift is easily arranged without the expense of preparing a will or codicil.

In April 2003, Agriculture in the Classroom received its first, and to date only, bequest from Loudoun County farmer, Charles Thomas. AITC did not know that Mr. Thomas had remembered the Foundation in his will so we could not thank him for his kindness and generosity during his lifetime.

If you have remembered AITC in your will or would like more information on how to do so, please contact Executive Director Karen Davis at 804-290-1142 or karen.davis@vafb.com; or Development Director Kelly Pious at 804-290-1144 or kelly.pious@vafb.com.

Your continued support of AITC's educational programs and initiatives are greatly needed and very much appreciated.

4. Giving a Charitable Remainder Trust or Charitable Gift Annuity

Charitable Remainder Trusts or Charitable Gift Annuities are gifts that will provide you with income for life. These life income gifts are excellent ways of giving and can provide you with variable or fixed income and substantial savings on income, gift and estate taxes. Such a gift can make it possible for you to make a large gift to AITC and you and/or your heirs can actually receive income from this gift. In many instances, you can pass on greater assets to family or heirs by establishing a charitable life income gift. These gifts are usually funded with appreciated securities or property.

Gift Example:

Jack, who is a widower, donates a remainder interest in his home to AITC, subject to his right to occupy or rent the home for life. At the time of his gift, the market value of this property is \$200,000. His accountant, using a formula required by the IRS, determines the value of his income tax deduction to be in excess of \$55,000. The personal residence rules also apply to a farm, vacation home or condominium if used by you. A farm may include acreage with or without the house.

Gift Example:

Betty donated a life insurance policy worth \$10,000. Her adjusted gross income was \$25,000 and she deducted the full \$10,000 on this year's return. When you contribute a policy on which premiums remain to be paid, your deduction is close to its cash surrender value. When you contribute a paid up policy, your deduction is generally what it would cost to replace the policy at the time of your gift, but never more than your investment in the policy. With a gift of insurance, you can save taxes and increase spendable income. Your insurance advisor can help you decide how you can benefit from a gift of life insurance.