

# IRREVOCABLE GIFTS

**THESE GIFT ARRANGEMENTS CANNOT BE CHANGED AND MANY DO NOT MATURE (BENEFIT THE CHARITY) UNTIL SOME TIME IN THE FUTURE.**

## Gift Annuity

In the case of a charitable gift annuity, you receive fixed annual payments for life in exchange for a gift of cash, securities, or possibly, real estate. It assures: 1) a gift to charity upon death of all income beneficiaries, 2) an income for life for you and your loved one (if a two-life annuity), plus 3) significant tax benefits. The gift process is simple if assisted by knowledgeable professionals.

## Deferred Gift Annuity

This gift annuity offers a higher rate of return when payments begin and a higher gift deduction. Income, however, is deferred. It is a desirable plan for those in their earning years who can benefit from a tax deduction and wish to arrange for a fixed-payment retirement benefit.

## Life Estate Agreement

The life estate agreement is a plan for giving your personal residence or farm but retaining lifetime use of the property for yourself and your spouse. The process is simple.

An income tax deduction is allowable in the year of the gift transfer. Probate of the property is avoided and the property is removed from the taxable estate.

## Charitable Remainder Unitrust

A charitable remainder unitrust provides income to you and/or someone you love based on the value of the property given. Charitable organizations of your choice will ultimately benefit from this arrangement when they receive the remainder in the trust.

Unitrusts are usually most advantageous for gifts of sizeable amounts involving property or securities which have significantly appreciated in value. There are considerable tax advantages; capital gains are bypassed and an income tax deduction can be claimed for a portion of the value of the property. Estate tax benefits are also possible.

## Charitable Lead Trust

You may create a trust to provide income for ministry for a period of years while ensuring that the gift will ultimately be returned to you or a loved one you designate. The lead trust can be an effective way to reduce or eliminate taxes that would otherwise be due on assets left to children or grandchildren.

Neither the author nor this organization is engaged in rendering legal or tax advisory service. The purpose of this publication is to provide information of a general nature only that is of interest to those with charitable giving intent. Advice from your tax advisor should be sought when considering these type of gifts.

**GOD IS DOING WONDERFUL THINGS,** with the resources that individuals, congregations and ministries are releasing back to Him.

We would like to encourage you to consider how MB Foundation might be able to assist you in Giving Meaning to YOUR Money!

- ▲ CHARITABLE GIVING
- ▲ INVESTMENT CERTIFICATES
- ▲ LOANS
- ▲ BIBLICAL ESTATE DESIGN
- ▲ PLANNED GIVING SOLUTIONS
- ▲ CHARITABLE TRUSTS
- ▲ CHARITABLE GIFT ANNUITIES
- ▲ ENDOWMENT MANAGEMENT
- ▲ STEWARDSHIP EDUCATION
- ▲ CAPITAL CAMPAIGN SERVICES

Please contact us at one of our two offices, or visit us on the web at [www.mbfoundation.com](http://www.mbfoundation.com).



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# WAYS TO GIVE



**SINCE 1991, MB FOUNDATION** has been encouraging Biblical principles of financial stewardship and generosity, resulting in the gathering, management, and distribution of financial resources for Christ and His kingdom.

To that end, we offer a variety of charitable giving options, assisting you in Giving Meaning to Money®! We are not raising money for MB Foundation, but we are a conduit, facilitating charitable giving for the benefit of other 501(c)(3) qualified organization(s) of your choosing.

## TOOLS FOR CHARITABLE GIVING

### DONATION ACCOUNT

Outright gifts may be gifted and placed into a Donation Account. This enables you to make an end-of-tax-year gift but defer your decision until a later date, as to who should receive the gift. You may make a larger than usual gift and have us disburse it to multiple charities, or you may build up a fund for special projects. Funds in this account are held until you instruct us to distribute them to your favorite charities.

### DONOR ADVISED MEMORANDUM

Any future gift (revocable or irrevocable) may be designated to MB Foundation. This might be documented in an estate plan, beneficiary designation or life-income arrangement. A letter of instruction (Donor Advised Memorandum) can then be used to designate the gift to benefit other 501(c)(3) qualified organization(s) of your choice.

### ENDOWMENT

You may choose to fund an endowment, now or at your death, which benefits one or more charitable organizations. A family endowment may be established at MB Foundation as a living legacy of your values. We will steward these funds and make disbursements as you have instructed.

# OUTRIGHT GIFTS

**THESE ARE THE SIMPLEST GIFTS TO MAKE. THE GIFT MUST BE COMPLETE AND IRREVOCABLE.**

#### CASH

These gifts are fully tax-deductible up to 50% of your adjusted gross income.

#### SECURITIES OR REAL ESTATE

This is an effective gift option, particularly if the securities, mutual funds, or real estate are highly appreciated in value. You can claim an income tax deduction for their current value and you are not taxed on the gain. The tax deduction on these gifts is usually limited to 30% of your adjusted gross income, although any unused amount can be carried forward for five years. According to IRS rules, a qualified appraisal will be required.

#### FARM COMMODITIES

The gifting of grain or livestock is a good option for some. It is required that MB Foundation be notified in advance of the gift and then authorize you to serve as our agent in selling the product. The benefit to the donor is not in a gift deduction but rather in a reduction in reportable taxable income.

# REVOCABLE GIFTS

**THE PLAN FOR THESE GIFTS MAY BE SET IN PLACE NOW BUT YOU ARE ABLE TO CHANGE YOUR MIND IF YOUR CIRCUMSTANCES OR ATTITUDES CHANGE.**

#### GIVING THROUGH A WILL OR LIVING TRUST

This is one of the simplest ways to make a significant charitable gift. Your bequest may provide for a specific dollar amount in cash, specific items of property, or a percentage of the estate.

Some have chosen to leave 10% of their estate to the cause of Christ to continue their lifetime giving practice. Others choose to include the Lord's work as another "child" in the distribution of their estate. MB Foundation can be designated to receive the gift pursuant to a Donor Advised Memorandum on file with us.

#### LIFE INSURANCE

There are many ways to give with life insurance. You can name charity as beneficiary or co-beneficiary. You can give a policy you already own and perhaps no longer need due to a change in circumstances by changing the name of the owner and beneficiary. You can purchase a new policy for the benefit of MB Foundation and take a tax deduction for the amount of the premiums... and there are more ways.

#### RETIREMENT FUNDS

MB Foundation may be designated as the final beneficiary of some or all of your retirement funds. Funds may be designated from a company pension plan, an Individual Retirement Account or other private fund. Designating retirement funds to charity is one of the most effective ways to make a charitable gift at death.

#### PAY ON DEATH ARRANGEMENTS

A convenient gift to consider is the gift of a savings account, certificate of deposit, or other investments. The account can name MB Foundation as beneficiary in a "pay on death" account. Funds in the account would immediately be available to support charities at the time of your death, without delays or unnecessary expense.

